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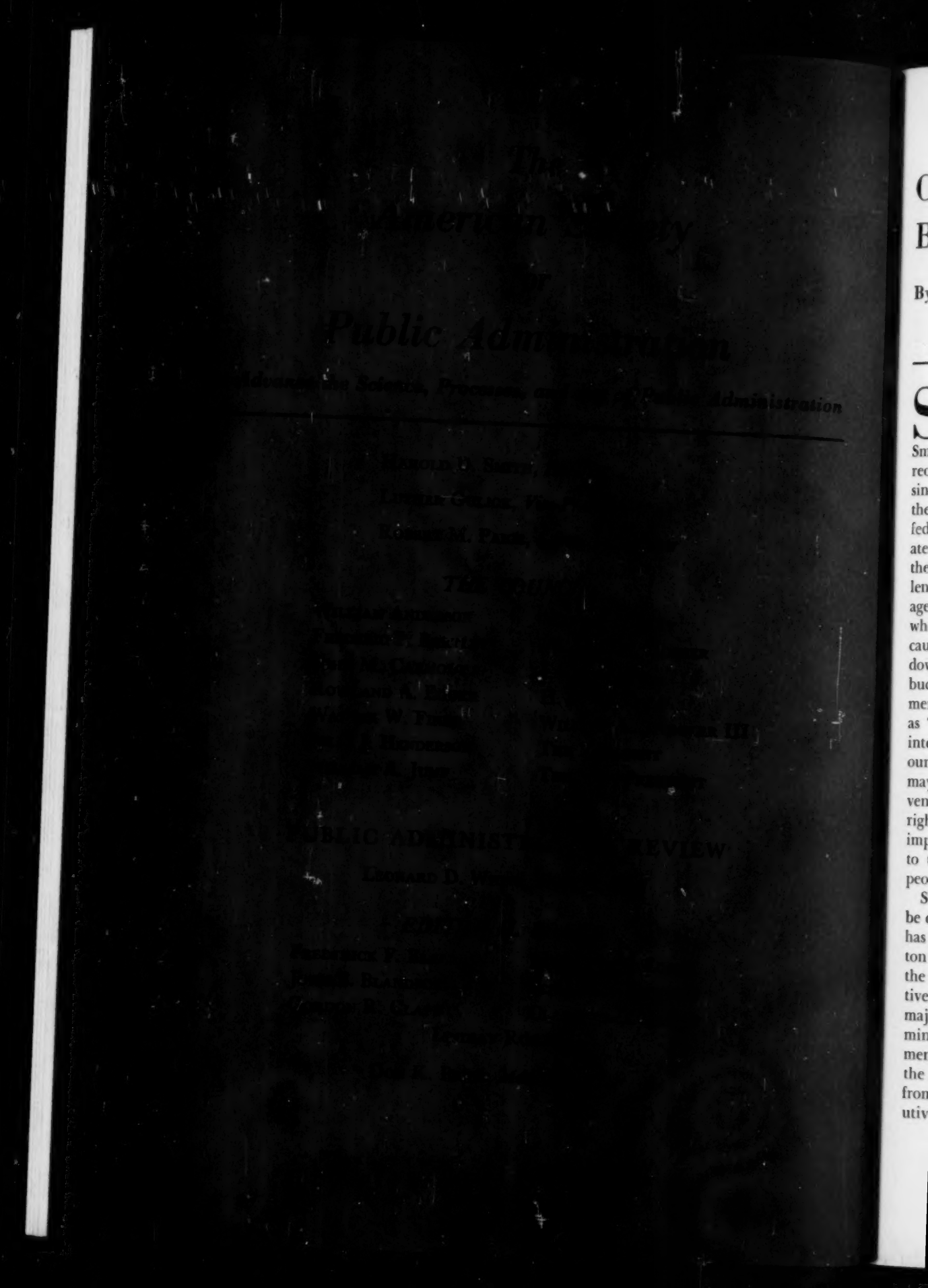

Over-All Financial Planning through the Bureau of the Budget

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SPEAKING at the meeting of the American Political Science Association a year ago in Washington, Harold D. Smith, Director of the Budget, described the reorganization of the Bureau of the Budget since its transfer to the Executive Office of the President, and discussed its new role in federal administration. He squarely repudiated the "watchdog of the treasury" view of the Bureau's function and vigorously challenged those critics of administrative management under the present administration who would have the "watchdog" shot because it has not kept federal expenditures down. The new role of the executive budget, he believes, should be "to implement democracy." Conceiving the budget as "a device for consolidating the various interests, objectives, desires, and needs of our citizens into a program whereby they may jointly provide for their safety, convenience, and comfort," Director Smith rightly emphasizes its position as "the most important single current document relating to the social and economic affairs of the people."

Students of political science cannot fail to be deeply gratified with the progress which has been made in recent years at Washington in budgetary practice. Four years ago the President's Committee on Administrative Management noted in its report the major defects of the system of financial administration then in operation and recommended certain improvements. Since then the Budget Bureau has been transferred from the Treasury Department to the Executive Office of the President, and the Budget Director has become one of the President's most intimate administrative advisers. The appropriation for the support of the Bureau has been multiplied fourfold, and the staff of the Bureau has been correspondingly strengthened in numbers and quality. In consequence of these alterations and improvements the Budget Bureau is now in a far better position than ever before to accomplish the purposes for which it was created.

More important than the increase in the Bureau's appropriation and staff is the change in its conception of its task. The Bureau came into existence at a time when the emphasis at Washington was placed strongly upon retrenchment and thrift. By example as well as by precept the early budget directors sought to give impetus and direction to the spirit of the time. In the management of the Bureau itself economy was transmuted into parsimony, and the larger issues of administrative efficiency in the general business of government were obscured by the pursuit of petty savings in the budget-making process. To balance the budget year by year, or better still to produce a surplus of revenue over expenditure and pay off the public debt, were the objects which budget directors set themselves, regardless of the relations between public finance and the general welfare.

New Basis of Budget Policy

THE present budget policy of the federal government is based upon a better understanding of the responsibilities of government in the modern world. The profits of

government, unlike the profits of business, cannot be reckoned from year to year. The problem of balancing the budget merges into the larger problem of maintaining the balance of the national economy as a whole. It is not only capital outlays upon durable public works that need to be reckoned in terms of longer periods than those covered by annual budgets, but also those more speculative investments designed to maintain the equilibrium of the American economy in the successive phases of the business cycle. There may be sound political reasons for synchronizing the making of appropriations with the periodical rotation of the earth around the sun. The cycle of the seasons, however, is far too short a period for balancing the books of a government controlling an economy in which public administrative enterprise is rapidly coming to the aid of the traditional system of private enterprise.

Recognition that financial policy must be adapted to the needs of the contemporary economy and therefore must be geared to the business cycle implies the acceptance of the new role of which Director Smith has spoken for the Bureau of the Budget in federal administration. The most important decision with respect to financial policy which the President, aided by the Budget Director, is now called upon to make each year, is not whether he shall recommend that the budget be balanced, or be operated on the basis of a surplus or deficit. Under a system of energetic public administrative enterprise the investments of the state for the development of the productive plant of the country must increase year by year if the people are to enjoy the benefits of a dynamic rather than a static economy, and the budget may never be balanced in the narrow sense of the term. The important decisions in the financial policy of such a state involve a choice between the various purposes to which capital outlays may be devoted. They involve a choice also between the various rates at which present effort may be directed toward future satisfactions.

Such decisions cause reverberations throughout the whole national economy. They involve some sense of direction, some conception of what kind of society is in process of construction. There is involved even more immediately the problem of the interrelationship between the private and the governmental sector of the economy. What effect will the financial plans of the government have on the plans of farmers and businessmen, on the aspirations of salaried workers and laborers, on the flow of private funds through the channels of investment, on the general process of capital creation, on the fluctuations of the business cycle, and at last on the size and distribution of the national income? What effect will the financial plans of the government have also on the fortunes of political parties and of the candidates for public office whose interests the parties are designed primarily to promote?

To ask these questions is not to imply that there are ready answers, or that a body of highly competent advisers will always agree in their analyses or in their recommendations, or, even if they agree, that they will always be right. Omnicompetence and infallibility we cannot expect. What we have reason to anticipate is that the organization of intelligent thinking on these problems may yield more promising lines of action than the casual improvisations which the President will be compelled to rely upon in the absence of such thinking. The strategic importance of governmental financial policy in setting the conditions for the whole national economy may well justify all the ingenuity and effort which can be devoted to the planning of such policy. What an exacting task devolves upon the Bureau of the Budget as principal aid to the President in implementing democracy becomes evident when it is noted that a comprehensive program of preparation for war presents a comparatively simple problem in planning of the complex type which will become normal under a peacetime system of energetic public enterprise.

Essentials of Budgetary Success

THE necessary condition of success for the Budget Bureau in its new role is a sound system of organizing official thought in the field of financial policy. The essentials of such a system of organized thought are plain. In the first place, there must be a clear distinction between the functions of an organ of thought and those of an organ of will and action. Secondly, there must be adequate opportunity for members of the thought-organ to become acquainted by practical experience with the problems and point of view of members of will-and-action organs. Thirdly, there must be due provision for permanently attractive careers for competent and successful members of the thought-organ.

The distinction between the functions of an organ of thought and those of an organ of will and action is clear enough in principle. It is substantially the same as that which is generally recognized under the more familiar terminology of staff agency and line agency. The theoretical distinction between general staff work and the work of the operating agencies in a large-scale organization was lucidly explained by Elihu Root, when, as Secretary of War, he was planning the organization of the War Department General Staff. The distinction is treated with more or less respect in the organization of all successful large-scale administrative agencies. It is exemplified not only in various branches of the government at Washington but also in the administrative organizations of great business corporations in many kinds of industry.

The necessity of combining practical experience with theoretical training in the development of the staff of a thought-organ is less generally appreciated. In the War Department General Staff, experience is combined with theory through the device of recruiting the staff officers from the officers of the line by special details for limited periods of service. This device has on the whole worked well in the War Department and would work well in any agency where similar conditions of employment exist. Similar conditions do exist in the Navy, in the Foreign Service, and with more or less important qualifications in several other branches of the federal service. To what extent these conditions exist in branches of the professional and scientific services which are needed by the Bureau of the Budget in the performance of its new role is a matter for further consideration.

The provision for permanently attractive careers for competent budget officers is perhaps a more debatable matter. It may be argued that the provision for security of tenure and routine promotion under the established civil service system should be sufficient for budget officers. But the Budget Bureau cannot afford to be satisfied with merely average merit and efficiency. It must be able to command the services of superior minds, and therefore must be in a position to reward extraordinary aptitude, zeal, and accomplishment. Suitable rewards can be most conveniently made available through the establishment of intimate and flexible relationships with operating agencies by means of which capable budget officers, especially junior officers, may pass readily from staff to line positions in the execution of financial policies.

In addition to these three essentials of a sound system of organized thought in the field of financial policy, there are three other elements which can contribute materially to a successful organization. One is a clear definition of the duties of the Budget Bureau and the strict limitation of its members to the kind of activities for which they are functionally suited. A second is an appropriate system of training officers for service in the Budget Bureau. A third is the attachment of all officers having anything to do with the planning of programs of action to be financed within the budget to operating agencies of due authority and competence. These elements of sound organization all imply a satisfactory division of labor in the planning of financial policy, particularly a satisfactory distinction between over-

all financial planning and financial planning at other levels of federal administration.

Related Agencies

THERE are several agencies in the executive branch of the federal government which have important roles in the planning of financial policy. Foremost among these is, of course, the Treasury Department, but the Federal Loan Agency, the Farm Credit Administration, and the Federal Reserve System also play important parts in the development of financial policy. Other agencies whose plans need to be specially reckoned with by the President in the development of his financial policy as a whole are to be found in the Department of Agriculture, notably the Agricultural Adjustment Administration and the Commodity Credit Corporation, in the Department of Commerce, in the Federal Works Agency, and among the independent establishments, notably the United States Maritime Commission. Each of these agencies needs the aid of a competent organ of thought. Each of them needs also a proper division of labor between its own organ of thought and the Bureau of the Budget, regarded as the over-all planning agency in the field of financial policy.

Some of the organs of thought which have been established by these operating agencies have been developed to a high state of efficiency. Particularly noteworthy among these are the divisions of research and statistics, of monetary research, and of tax research in the Treasury Department, the division of research and statistics in the Federal Reserve System and the Bureau of Agricultural Economics in the Department of Agriculture. These planning staffs contain numerous well-trained and carefully selected economists, statisticians, and other technicians of high professional competence. They are generously, though not extravagantly, supported with funds for research. They possess the confidence of the principal administrative officers whom they serve. The attempt to establish a similarly competent organ of thought in the Department of Commerce, the short-lived Bureau of Industrial Economics, unhappily has been temporarily frustrated, but the Department of Labor possesses in its Bureau of Labor Statistics a staff of economists and social scientists which, under brilliant leadership, has functioned as a very useful organ of thought in that field of administration. The Bureau of Research and Statistics established under the National Defense Advisory Commission is another agency, now strictly limited to fact-finding activities, which nevertheless under altered circumstances might develop into a thought-organ of exceptional importance.

These various planning staffs can be of great usefulness to the Bureau of the Budget in the exercise of its function of over-all financial planning. They are attached to powerful operating agencies the heads of which are likely to rely heavily upon the information and advice which these thought-organs are able to give them. They can provide information and advice for the Budget Bureau itself which its own research staff would be incapable of providing without an expansion of personnel such as Congress is unlikely to authorize in any predictable future. They can help also to give the kind of training to economists and technicians of various kinds which should make them specially qualified for the exacting duties of over-all financial planning in the Bureau of the Budget, if the relations between the Budget Bureau and the operating agencies should be favorable to the interchange of personnel. It is evident that the Budget Bureau can have no intention of attempting to do any of the work which these organs of thought in the operating agencies of the government are capable of doing for themselves. But with their cooperation and assistance it should be able to perform much more effectively those duties of over-all planning which can be well performed in our government only by an organ of thought attached directly to the office of the President.

Relations with N.R.P.B.

AN ORGAN of thought of particular interest in connection with over-all financial planning is the exceptionally competent staff agency now known as the National Resources Planning Board. This useful organization began as a planning board attached to the Public Works Administration. It attracted to itself a highly trained group of engineers and economists and quickly outgrew its original assignment. Operating as an independent agency, it made itself useful to the Chief Executive as a source of professional aid and assistance in connection with long-run planning. Under the recent administrative reorganization it has been attached, like the Bureau of the Budget, directly to the Executive Office of the President. Its technical staff is capable of assuming an important role in the planning of financial policy. The question therefore arises, what should be its relations to the Budget Bureau in connection with over-all financial planning.

There might seem to be the possibility of a serious conflict between these two agencies. Both have the opportunity to render professional aid and advice directly to the President. Both possess, or might possess, staffs of financial experts thoroughly competent to give important aid and advice for the purpose of "implementing democracy," to borrow the suggestive phrase of the present Director of the Budget. The leadership of these two planning staffs is such that the President might readily turn to either of them for the aid and advice of this kind which he requires. The proper adjustment of the relations between these two staffs is manifestly one of the important problems in administrative management at Washington.

To the solution of this problem Congress itself has made a notable contribution. By the reorganization plan transferring the National Resources Planning Board to the Executive Office of the President, the Board succeeded to the powers and duties of the former Federal Employment Stabilization Board, originally created by a law passed in 1931. The Hoover administration made little or no use of this once promising agency, and one of the early acts of the Roosevelt administration was to abolish the Board and transfer its functions (as the Federal Employment Stabilization Office) to the Department of Commerce where it lay for years in a state of innocuous desuetude.

This Board was originally authorized to advise the President from time to time of the trend of employment and business activity, and of the existence or approach of periods of business depression and unemployment, and to cooperate with the construction agencies of the government in formulating in advance plans for future construction. Whenever, upon recommendation by this agency, the President should find that a state of business depression and unemployment existed, he should transmit to Congress such supplementary estimates as he might deem advisable for emergency appropriations to be expended upon the construction of public works in accordance with the advance plans. Furthermore, the various construction agencies were directed to prepare plans for six-year periods in advance and to submit their plans and estimates to the Employment Stabilization Board and to the Bureau of the Budget. Thus a well-considered scheme for integrating flexible long-range public works programs with the over-all financial planning of the Budget Bureau was written into the law nearly ten years ago, and then largely ignored until the National Resources Planning Board, in search of a solid legal foundation for its activities, merged with the Employment Stabilization Office under Reorganization Plan No. I. In making appropriations for the support of the National Resources Planning Board during the current fiscal year (1940-41), Congress provided that no part of the appropriation should be used for any purpose other than the performance of the functions formerly conferred upon the Employment Stabilization Board, but it has ignored this restriction since then in appropriating funds for the Board.

This recent legislation pointed the way toward a rational solution of the problem of relationship between the National Resources Planning Board and the Bureau of the Budget. The Board can be of great assistance to the Bureau of the Budget in the development of its plans for adjusting federal expenditures on public works to the ups and downs of the business cycle. It can also be of great assistance to the Administrator of the new Federal Works Agency and to other construction agencies in the development of their plans for long-range public works construction. But as a rival to the Budget Bureau in the Executive Office of the President there is no room for it. Happily the possibility of such rivalry has been removed, and the foundation laid for effective collaboration between the two agencies by Executive Order No. 8455, recently approved by the President. This order, which was based on a joint memorandum by the Director of the Budget and the National Resources Planning Board, makes wise provision for the planning and programming of all construction financed in whole or in part by the federal government. Under this order, over-all financial planning will be centralized in a single office; it will be integrated with the detailed plans of the planning staffs connected with the operating agencies of the government; it will be accomplished by an agency which can have the readiest access to the President. There can be no doubt that this administrative agency is rightly the Bureau of the Budget.

The Director of the Budget Bureau has already taken constructive measures to organize his Bureau for the effective performance of his new role as a principal agent of the Chief Executive in implementing democracy. Under the reorganization of the Bureau accomplished last year, the new divisions of estimates, legislative reference, administrative management, and statistical standards have been put into sound working order. But something still remains to be done to the end that the fiscal division, which would have important functions in connection with long-range financial planning and adjusting the policy of the government to the course of the business cycle, may be as well equipped for the performance of its task as it should be. The recent appointment of a carefully selected head of this division indicates that its expansion is to be speeded up. In the further development of this division due consideration will doubtless be had for the essential principles of organization upon which the best results may be obtained from organs of thought in the field of financial policy. Students of government are justified in believing that we are on the threshold of great advances in the art of organizing these most important members of a modern system of public administration.

The Sharing of Responsibility for Relief

A discussion by William J. Ellis and William Hodson

Editorial Introduction

A PROPOSAL for a fundamental revision of the existing administrative and financial arrangements by which federal, state, and local governments deal with the problem of relief and welfare is discussed below by two of the recognized leaders of thought in the welfare field—one, William J. Ellis, the head of a state welfare department, the other, William Hodson, the head of a municipal agency. Both men are active in the work of national organizations of welfare administrators.

At the present time there are five principal programs of public welfare: the work relief program of the Work Projects Administration, administered by the federal government with comparatively small financial contributions from localities; direct relief (also known as general relief or home relief), which is administered by state and local governments without federal assistance; and the three categories of public assistance under the Social Security Board program, namely, old-age assistance, aid to dependent children, and aid to the needy blind, which are administered by state governments under federal standards and supervision, and with federal grants for about half the cost of assistance and administration.

A resolution adopted by the Council of State Governments on January 23, 1941, proposed to put all these programs on the same administrative and financial basis, administered by states (or their subdivisions) under federal supervision, with a system of federal grants which would vary from state to state in proportion to need. This plan would not affect the existing arrangements for old-age insurance, unemployment compensation, the employment services, the National Youth Administration, or the Civilian Conservation Corps.

Thus, according to the committee that proposed the resolution, the states would be able to coordinate direct relief, work relief, and other public assistance programs, effect economies in administration, check more closely on the recipients of public aid, and provide better service to needy persons.

To the states with the least ability to pay, the maximum federal grant for direct relief, work relief, and the three "categories" —i.e., old-age assistance, aid to dependent children, and aid to the needy blind—would cover 75 per cent of the state welfare expenditures, including administrative costs, while the minimum grant would be 50 per cent. The exact percentage would be calculated according to such factors as the per capita income in the state and the amount of employment. In each state the same percentage would apply to each of the five programs and their administration.

The proposal of the Council of State Governments is thus intended to terminate federal responsibility for work relief under W.P.A.; to require the states to take over this phase of the problem; and to enable them to do so by a scheme of variable federal grants. As a corollary it follows that the existing direct administrative relations be-

tween the federal government on the one hand and cities and counties on the other would come to an end.

This proposal is designed, in the second place, to leave the states with a considerable degree of discretion. They would retain freedom of decision enabling them to choose between direct relief or work relief, between state or local responsibility for relief, and between state or local funds for the support of relief, or any desirable combination of these alternatives.

The states with the least financial resources have in general not been providing direct relief for most of those persons who are certified to W.P.A. but not assigned to jobs. In order to take advantage of the Social Security Board grants, they have been spending more for the "categories" than for direct relief, thus leaving the W.P.A. as the principal mainstay of the needy adults who are neither aged nor blind. The proposed system would deprive each of these states of the W.P.A., but on the other hand it would increase the proportion of federal funds available for the "categories," and give grants at the same percentage for direct relief.

The wealthier states, under the proposed system, would pay in federal taxes a larger share of the national bill for public assistance. On the other hand, their contribution to work relief programs in other states would be less, and their state governments would be free to determine the nature of all relief programs administered within their boundaries.

The text of the report adopted by the Council of State Governments follows.

REPORT OF THE SPECIAL COMMITTEE ON RELIEF OF THE COUNCIL OF STATE GOVERNMENTS

Your committee on relief has examined the situation with respect to general relief and public assistance through five regional conferences in which state legislators and public officials concerned have participated.

Out of the discussions in these conferences and related information your committee has formulated certain proposals for the consideration of this assembly.

These proposals cover only so much of the present system of administering public relief and assistance as in our opinion urgently requires simplification or revision at the present time. The proposals are:

1. Direct relief should be added as a category to the Federal Security program to be administered by the states as a part of their general shared relief program.

2. All work relief should be operated by the states as a part of the general shared relief programs. This means a transfer of administrative responsibility for work relief from the federal government to the states.

3. The relief of migratory workers or persons should be handled by the states as a part of their general relief programs, and should be reimbursable by the federal government. To facilitate this proposal the question of uniform state settlement laws should be dealt with at the earliest moment.

4. The same rate of federal reimbursement should be applied to each shared program of public assistance within any state.

5. The rate of federal reimbursement should vary among the states from a minimum of fifty per cent to a maximum of seventy-five per cent. The schedule upon which federal reimbursements vary should be predetermined and publicly announced by the federal agency concerned. In making up the schedule that agency should give consideration to such factors as the volume of unemployment, costs of living, and per capita income in the several states.

6. All *administrative costs* of state and local welfare agencies operating the shared programs should be reimbursed by the federal government at the same rate as applies to other reimbursements.

7. The distribution of surplus commodities in any state should be in accordance with plans developed and mutually agreed upon by the federal government and the state agency charged with public assistance in that state.

8. Occupational training of potentially employable persons should be intensified.

9. Rehabilitation through medical care and treatment of physical defects should be intensified and should be a part of the reimbursable program of general relief.

10. There should be a continuing joint congressional committee working with state legislative and administrative groups in planning for new or modified legislation, and for the purpose of providing for research in public assistance.

11. This assembly should provide a legislative counterpart to the joint congressional committee by a continuing committee on relief of the Council

of State Governments.

12. It is urged that all public officials recognize the crushing force of the soaring burden of all public relief on the taxpayer, and we recommend vigorous effort on their part for a more efficient and economical administration.

Your committee believes that these proposals if adopted would lead to:

(a) Better service to the needy person
(b) More efficient administration
(c) Substantial savings to both the states and the federal government.

The Council of State Governments considered the variable system of federal grants and the transfer of the work relief program as corollary and interdependent. Some authorities agree with the report in regarding the two features as parts of a consistent policy; others regard them as distinct. Our first article presents the point of view of a state welfare administrator of more than twenty years' experience in the state government of New Jersey, who endorses the transfer of the work relief program and the creation of a federal system of grants for direct relief. The head of the welfare commission of America's largest city, who likewise has had more than two decades of experience in welfare administration, agrees on the latter proposal, but states the case for retention of the federal work relief program.

The Case for State-Local Administration

By WILLIAM J. ELLIS, *Commissioner, New Jersey State Department of Institutions and Agencies*

PUBLIC welfare officials from all levels of government and every section of the United States are in substantial agreement that a general review and a possible reallocation of administrative responsibility for the care of those in need are desirable. During the last decade overwhelming circumstances have compelled the federal and state governments to assume a major part of relief costs and the accompanying administrative responsibility. This was done initially with legislation of "emergency" character on the theory that the causes were cyclic rather than permanent.

The long looked-for liquidation of the major part of the public relief load has failed to materialize even in the face of the forced draft industrial activity of the national defense program. It is moreover becoming clear that we cannot afford indefinitely to continue the inefficiencies of the present conglomeration of overlapping laws and procedures. Reorganization at every level of government is required and the responsibility for providing the general plan from which other governmental bodies may work rests with the Congress and the federal administration.

Once the federal, state, and local governments have agreed fundamentally that they have a joint and continuing responsibility for the relief of the needy, the problem thereafter focuses upon two issues, namely, (1) allocation of costs, and (2) determination of an administrative plan.

Responsibility Accepted Reluctantly

SINCE 1932 there has been at least a working agreement that both federal and state governments have an inherent responsibility to share the costs of relief and to join in its administration. This responsibility was accepted with reluctance and only after many municipalities had become virtually insolvent.

It will be recalled that certain states responded to the plight of municipalities and their needy citizens by establishing temporary emergency relief administrations; and that thereafter the federal government, through the Reconstruction Finance Corporation, extended the facilities of federal credit to the states in the form of loans which later were converted into outright grants, and then, in 1933, established the Federal Emergency Relief Administration.

Permanent acceptance of federal and state responsibility for a substantial part of the cost of relief and for its administrative supervision followed in 1935 with the adoption of the Social Security Act and the creation of the Works Progress Administration. These measures quickly were followed by state enactments designed to conform in general with the federal plan.

Since the early months of 1936, following the adoption of the Social Security Act, many states have been operating public assistance programs including old-age assistance, aid to dependent children, and aid to the needy blind with federal financial participation and supervision. Some states have organized a more or less adequate general relief program with full or partial state financing and administration. All states have adopted unemployment compensation plans. The federal old-age and survivors' benefit plan has become effective. Programs for crippled children, for the extension of public health work, for the retraining and rehabilitation of injured adults, and for child welfare in rural communities have been substantially improved as a result of the availability of federal funds and federal supervision.

In addition to these jointly conducted activities the states and local governments have cooperated with the federal W.P.A. program, particularly for the certification of eligibles and for the planning, financing, and supervision of public works projects. Similarly there has been cooperation with respect to other programs such as C.C.C., N.Y.A., and F.S.A. housing, which are valuable contributions to the social-economic activities of government but which are not under particular analysis at this time.

Functioning Organization Studied

THEREFORE the report of the Special Committee on Relief of the Council of State Governments represents the result of a study of functioning organization which includes federal, state, and local participation in a varying pattern. The report assumes permanent acceptance of responsibility in this field by both the federal and state governments and proceeds to offer a solution of the problems of allocating costs and the improvement of administrative design.

In its report the Special Committee recommends extension of federal financial participation in four directions, namely:

1. The addition of direct relief as one of the categories of the federal security program;

2. Adoption of a variable formula by which federal financial participation in public assistance of all categories will range from 50 per cent to 75 per cent of the cost, depending upon such factors as the volume of unemployment, costs of living, and per capita income in the various states;

3. Federal sharing of administrative costs of state and local welfare agencies at the rate established for sharing assistance costs in the respective states; and

4. Operation of work relief by the states as a part of the general shared relief programs.

Residual Load at Hand

FORTUNATELY these recommendations come at a time when the number of persons in need of relief has reached the low point since 1929. The December, 1940, issue of *Pennsylvania Public Assistance Statistics* makes an observation pertinent to the situation in that state but applicable to the country as a whole, i.e., "the decline in public dependency among employable persons and their families . . . has tended to represent increasingly a problem of long term unemployability and less and less a problem of unemployment."

It is primarily for the residual load of the needy, therefore, that immediate plans should be made. Because of intensive retraining programs growing out of the urgent demand for defense workers it may be expected that the relief load will shortly fall below current figures, and even below what might well be regarded as a normal residual load. The size of the financial problem has

reached just about the lowest point, a condition which is favorable to reorganization.

In dealing with assistance for needy persons the service to be rendered may not be defined solely in terms of cash or commodities. The more essential values are human. What happens to the individual as a member of the society in which he lives is the immediate thing to be considered. The personal security of the citizen depends on sound public policy operating throughout the structure of government and private enterprise. Within the pattern of economic and political life it is the function of public welfare organization to conserve and repair, to protect from the privation which otherwise would be his lot, the individual whose misfortune has cut off his normal economic security.

Important First Step

WHILE the attack on insecurity must proceed simultaneously along many lines of endeavor and while we believe that improving techniques of production, distribution, and use of our economic resources will ultimately eliminate most of the causes of economic maladjustment, it is obvious that the most effective public welfare program our society can afford is an important first step. For many years to come it now appears that service of this kind will be a basic function of government. Realizing this the Special Committee has endeavored to outline the kind of program which when adopted may be expected to operate with effectiveness and satisfaction.

As is the case with every other undertaking of large proportions, whether governmental or private, adequate organization is essential to getting the job done. A satisfactory pattern of organization for activities of joint interest to the federal, state, and local governments has been established for many years in connection with joint programs for highway construction and maintenance, agricultural research and service, vocational education, and, more lately, for public assistance activities.

The historic validity of this pattern is recognized in the recommendations of the Special Committee. Its justification may be found in the ramified problems of providing important public services in every area of a continental nation in a manner acceptable to those served.

Grants-in-aid have enabled the federal government to assume leadership in nationwide programs for the public welfare primarily to promote sound administrative structure and satisfactory standards of service. The delegation of substantial shares of financial responsibility and administrative and policy-making authority to the states and local governments capitalizes on local experience and intimate knowledge of the immediate administrative problems. This method eliminates much of the bottleneck which appears to be inevitable in huge centralized operations.

Allocation of Responsibility

SUCH a plan of organization places responsibility for the general staff work in Washington. Each state and territory then becomes an operating division with a healthy degree of autonomy to plan and initiate within the limits of the general plan. Actual direct administrative responsibility remains in the locality most intimately concerned—a factor of more than usual importance to a service which involves the intimate human relationships of a public assistance program.

The latest available national figures for expenditures for old-age assistance, aid to the blind, aid to dependent children, general relief, and W.P.A., namely those for September, 1940, reported a monthly cost of approximately 203 millions. Of this the state and local governments were supplying something more than 55 millions a month and the federal government something more than 148 millions a month.

If the proposed formula contemplated a straight 50 per cent sharing of costs as between the state and local governments on the one hand, and the federal government on the other, the state and local govern-

ments would be required almost to double their contributions and the federal government would save about one third. The variable formula proposed, however, would result in larger than 50 per cent participation by the federal government in all but a few states, perhaps as much as 65 per cent of the whole cost. Therefore, the result to be expected would be maintenance of the current size of state appropriations in all states other than New York, Pennsylvania, New Jersey, Massachusetts, Rhode Island, Connecticut, Ohio, Michigan, Illinois, and California; these states would be required to increase their expenditures by a total of perhaps twenty to twenty-five millions of dollars a month.

It is obvious that any change requiring a substantial group of states to increase their appropriations for relief purposes at this time in the degree indicated is impossible of achievement. The debt burdens of states and local governments have reached proportions which call for severe retrenchments in operating expenses. The tax resources available at these levels of government are quite limited and are currently being utilized to the fullest desirable extent. Continued federal financing of the major part of a work relief program even if its administration is transferred to the states is therefore indicated.

State-Local Administration Important

EVEN though work relief may continue to be financed to 90 per cent or more of its whole cost by the federal government, there are substantial reasons why administration should be transferred to state and local governments with both administration and supervision integrated at all levels with the remainder of the categorical and general relief activities. The reasons supporting this proposal may be summarized as follows.

1. *Planning.* The Federal Security Agency was organized to provide coordination of relief and social insurance activities at the federal level. The theory which led to this organization applies with equal force at least to the relief activities, including work relief, general relief, and the categories at the state level.

There is substantial reason for believing that work projects could be developed on a sounder basis of local support and understanding and with greater community benefit if properly organized at the state level. Those who have administered the W.P.A. program must be credited with a good job. The criticism often leveled at this part of the relief activities of government applies primarily to the kind of work projects which have been sponsored, the eighteen-month rule, the rigid rules affecting wages and working conditions, improper certifications, and fluctuating rates of employment caused by fluctuations of available funds. These criticisms apply in some instances to state and local sponsors of projects, to the terms of the statute as adopted by Congress, and to situations inherent in the nature of any work relief program which is established as an independent operating unit and therefore not closely integrated and coordinated with other relief activities. If the recommendation of the Special Committee is adopted, budgets and appropriations will be more carefully tied in with the realities of need. It is at the state level that determinations of kinds and number of projects can be made with greatest confidence. It is from this level of government, also, that work of local units can be organized and supervised most effectively.

2. *Supervision and standard setting.* As indicated heretofore the Federal Security Agency functions most effectively when assisting the states in the development of high standards for personnel, procedure, and operations. The recommendations of the Special Committee are predicated on the principle that state and local administration of relief will be established on a nonpolitical basis with effective supervision by the Social Security Board. They are designed to insure that employees will be protected by an effective merit system of employment. The Social Security Board has demonstrated its

ability to secure such standards with respect to the administration of the categories. With an appropriate extension of existing legislation, therefore, this principle can be applied throughout the structure of public relief administration.

Standards established with respect to work projects can become more effective if the federal agency confines its contacts to the states. The direct contacts now being maintained with many thousands of local governments serve to dilute the effectiveness of the federal authority. Orderly development could be achieved with less confusion and greater certainty if the usual federal-state-local relationship were to be adopted.

3. *Administration.* The innumerable human adjustments inherent in this undertaking can best be provided by members of the communities to which the individuals affected belong. Well-developed standards of service, financial help, and leadership provided through the state are needed in order to capitalize the capabilities of local citizens. The state agency must be staffed competently and must not only be freed of partisan political pressures but also able to help protect the local welfare administrations from such pressures.

It will be at the level of administration that transfer of work relief to the federal-state-local agencies will achieve the greatest gains. Adjustment of the work projects to local needs will become more effective. Selection of persons to be assigned to project employment will become very much improved. A greater degree of flexibility in policy and application, more resourceful utilization of work relief, greater salvage of manpower, are goals which would be realized promptly as a result of the change.

Stafford's New Jersey Study

IN A recently published study of relief activities, based principally upon conditions existing in New Jersey, Professor Paul T. Stafford of Princeton University has reached conclusions which are in striking parallel with those of the Special Committee.[1]

Professor Stafford recognizes that modern conditions "have necessitated the development of a new form of cooperative federalism in the United States" and that one of the fields in which the reallocation of functions among the levels of government is most necessary is that of relief. He points out truly that the causes of unemployment are national in scope and that its cure must be planned and developed under the leadership of the federal government. Relief and public assistance activities, of course, are not the only parts of the national program to end individual and social insecurity, but they are integral and important parts, and they present one of the most urgent demands for the creation of new patterns of relationships within our federal system.

On the basis of this general point of view, Stafford proposes the following allocation of major responsibilities among levels of government in the United States:

(1) The federal government should be responsible for administrative supervision over the various state programs and for the maintenance of certain minimum nation-wide standards of administration.

(2) The state government should be immediately responsible for the enforcement of federal administrative standards and regulations within the state and for general supervision over the local administrative units.

(3) The local governments should be responsible for direct administration of the public assistance services in accordance with federal and state regulations.

(4) Financial responsibility should be shared by all three governments through a system of federal and state grants-in-aid. Federal grants should be distributed among the states on the basis of their respective needs and resources. The states in turn should provide subsidies for the local subdivisions on the basis of their respective needs and resources. The states would be responsible for the distribution of these federal and state funds to the localities. The balance of the cost would be assumed by the local governments themselves.

The principal change which the adoption of this plan would necessitate in the existing pattern of

[1] Paul T. Stafford, *Government and the Needy* (Princeton University Press, 1941), pp. 278–84.

governmental responsibilities is the withdrawal of the federal government from the field of direct administration, and the establishment of a federal grant-in-aid system covering all forms of public assistance. This would mean the return of complete responsibility for the operation of the public assistance program to the state and local governments.

Having described these reallocations of responsibilities, Stafford then presents his reasons for advocating such a change. After pointing out that these changes would lay the foundation for an integrated system of relief at the state level, on a pattern already successfully developed in the categorical relief services, he continues as follows.

. . . the proposed plan avoids the special difficulties and dangers of over-centralization. Here the case against direct federal administration rests upon considerations of national interest. The problems of public assistance are infinitely varied not only among the several states but within each state. Within a nation of continental dimensions like the United States there are inevitably great differences of economic development, social conditions, material resources, climate, population density, customs and traditions. All of these have an immediate and profound influence upon the character and methods of public assistance. Methods that are suitable to one area will not be successful in another. . . . The adaptation of public assistance administration to the great variety of local needs and conditions throughout the country is a task which can best be performed by the state and local governments themselves.

The political dangers of over-centralization of governmental authority involve even more fundamental considerations. The success of the democratic process depends largely upon the strength and vigor of institutions of local self-government. Effective participation in governmental affairs at the state and local level is possible only where a substantial measure of authority and responsibility remains with the state and the community. Local initiative and local responsibility are the life-blood of local government. . . .

Federal resources and federal leadership, as Stafford well points out, are essential to bring about a national approach to a national problem, while, on the other hand, it is necessary to have a decentralized system of administration to gain the advantages of effective participation at the lower governmental levels. This plan, he contends, is neither new nor radical, but it "is an application of the original principles of American federalism to the modern problems of government."

Many arguments, of course, have been advanced against the adoption of the federal grant-in-aid principle instead of direct federal administration of work relief. It is feared that such a change would be detrimental to welfare policies, bringing about a return to poor-law philosophies and methods and a substitution of the dole for work relief. Memory of the experience under the Federal Emergency Relief Administration and awareness of the efforts of state and local political machines in various communities to control the Work Projects Administration lead to the argument that such a change would turn the state relief systems over to local spoilsmen. Local rights, it is said, are preserved by the planning of projects and the certification of relief workers by local authorities.

Stafford meets such arguments by denying that there is now an effective local participation in the federal work relief program and by insisting upon the possibility of avoiding local political control of general relief with the degree of federal supervision which he proposes. His views on this point are expressed in a final excerpt which deserves quotation.

The remaining arguments all rest on the assumption that the same conditions arising under the first experiment with federal relief grants-in-aid in 1933-1935 would prevail once again. But this assumption ignores one important distinction. The first experiment was launched as an emergency measure to cope with an unprecedented economic crisis. There was no time for careful planning and no previous experience on which to rely. The present proposal is advanced not as a stop-gap measure but as a permanent basis of governmental operations. There *is* time to plan and organize it. And there is now available a wealth of experience to guide the future development of such a plan.

The federal government by means of the grant-in-aid device is now developing high standards of personnel, administration, organization, and operational techniques in the categorical relief services throughout the country. There have been difficulties in some states to be sure, but on the whole the efforts are meeting with marked success. On the other hand, the federal work relief services remain outside the federal merit system, manned and operated by temporary, political appointees. . . . There is ample reason, therefore, to believe that with appropriate safeguards the extension of the federal grant-in-aid principle to cover the entire relief program would result not in a return to the old poor-law principles but in a general, nation-wide improvement over the standards currently prevailing in the administration of the general and work relief services.

To summarize briefly: The proposals of the Special Committee are the result of careful study and inquiry. The theories advanced are those of practical administrators and legislators fully aware of the advantages and disadvantages attendant upon their proposals.

More effective administration and better adjustment of the program as a part of the general approach to security for the individual citizen would be realized by the proposed plan.

The plan capitalizes established relationships between the federal-state-local governments and engages the effective participation of responsible local citizens.

More effective realization of the inherent goals of the public welfare program would be achieved.

Costs would certainly be lower than under a less well-integrated plan and the social-economic gains would be substantially greater.

The Case for Retaining the Federal W.P.A.

By WILLIAM HODSON, *Commissioner of Welfare, City of New York*

THE chief purpose of all public assistance programs, as well as of the Work Projects Administration, is to provide purchasing power for persons who are unable to buy the necessities of life. The very old and the very young, the blind and the sick, the unemployed and the unemployable, are not capable of self-support, some permanently, others for a temporary period. The accepted policy of the country is to provide all persons who cannot care for themselves with the necessities of life and to restore as many as possible to self-maintenance at the earliest moment.

This aid is given in a variety of ways. Laws providing for old-age assistance set up special administrative methods and eligibility requirements. Laws for aid to dependent children have another set of eligibility requirements and frequently separate administrative organizations, and so it is with aid to the blind. The great mass of needy people who do not fit into these categories are cared for under general laws providing home relief or general relief, as it is sometimes called. Finally, the federal government has established the policy of furnishing work for some of the employable persons who are on home relief or whose need has been certified in some other way.

Thus home relief is the only system for the care of dependent persons who are not presently eligible for some of the categorical forms of relief, W.P.A., or social insurance. In many places throughout the country the home relief rolls are much larger than those of W.P.A. or other types of public assistance. Home relief is the basic, flexible form of public assistance wherever it exists. When W.P.A. rolls are cut or when eligibility for other help is being established, it is available in the interim.

I AM in complete agreement with the proposition that there should be federal grants-in-aid for home relief administered by the states and localities. There is no valid reason why federal aid should not be pro-

vided for this form of assistance as it is for other forms. The demand for purchasing power is just as legitimate among those who are in need and cannot qualify for special forms of help as it is for those who can. The needy are all human beings who are "up against it" for reasons usually beyond their control, and their claim on the conscience of the federal government is no less urgent or valid than that of others with more favored kinds of disability. It is ironical indeed to set up a permanent aristocracy of public assistance, i. e., those for whom federal assistance is obtainable as against those for whom only state and local resources can be used. Experience has shown that federal grants-in-aid for the needy aged, the blind, and dependent children have resulted in the establishment of state programs throughout the country, and that the grants have been effective leverage in the establishment of minimum standards of administration. Many states and localities are without any home relief program, or with inadequate home relief service, largely because the federal government does not share in its cost. The impression is created that home relief is somehow unworthy of federal participation.

I do not approve the proposal that the W.P.A. should be discontinued by the federal government and turned over to the states and localities at this time. In some communities it is the only form of help available. Through the W.P.A. we have achieved what amounts to a national minimum standard of assistance, at least for those who are employed, by means of standardized wages. It is more than likely that some states and localities which now have W.P.A. programs would give up work relief altogether if the federal government turned over the W.P.A., even though there were a plan of over-all federal reimbursement. The cost of work relief is higher than that of home relief, and the tendency of the states and localities would be to encourage what they would regard as cheaper forms of assistance, particularly if the over-all federal reimbursement were a fixed percentage of a total expenditure with no inducement to retain a work program.

To consider the transfer of the W.P.A. program to the states before providing federal reimbursement for home relief and establishing minimum standards for its administration throughout the country would be most unwise. This basic program of general relief should be set up in every community. It should be administered so far as practicable by the localities or by the states, and the federal government should participate in financing it. If Congress then were to decide to cut or eliminate the W.P.A., the local governments would not carry the whole burden of those discharged from work, because Congress would have to share in the cost of their care under any circumstances.

To give up the W.P.A. entirely is altogether too risky. In those places without home relief, the local governments might also fail to provide work relief and leave the needy without resources. On the other hand, if the community were awakened to its full responsibility, with the aid of federal reimbursement, it would have to set up and administer two new programs—work relief and home relief.

I WOULD recommend, then, (1) that the federal government build upon the foundation of federal grants-in-aid for the categories by adding home relief; and (2) that despite the pickup in employment as a result of new industries the federal government continue the W.P.A. in substantially its present form. There would thus be provided a broad base of protection for all who need help. I appreciate the difficulties involved in these recommendations—the danger that federal reimbursement for home relief will result in the elimination of work relief or in its more rapid reduction, and the difficulty of determining the total amount of federal money that each state or community is entitled to receive with the two programs. I believe, however, that these

problems can be solved successfully if the proper procedures are followed. There has been some experience with decreased work relief as the W.P.A program has been reduced. The question of equitable allocation of funds to the states is not too difficult if it is left to administrative discretion rather than arbitrary legislative action.

As a local administrator who has to budget his expenditures on a six months' and sometimes on an annual basis, I would express the hope, however, that employment under the W.P.A. be stabilized over a period of time. Changes in W.P.A. allocations completely upset local calculations in the middle of a budget period. The W.P.A. can cause serious problems by unexpectedly laying men off or reducing the total number to be employed, thus causing an increase in applications for home relief. This is a problem in federal-local cooperation which has not yet been fully worked out but is susceptible of solution.

But the main necessity is that the W.P.A. be continued as a federally administered program. No other course seems sound and practicable at this time. The federal government provided work for the unemployed when they would not otherwise have had it; they probably would not have had it to this day if we had waited for the local governments to take the initiative. There is something clean-cut and logical about saying, "let's turn everything back to the states and give them federal reimbursement on the whole business." But our present achievements have been the product of time, circumstance, and compromise. We had better face the future on a realistic basis, or all too soon there may be little or no work relief for the unemployed. Despite increased production which, by the way, calls largely for skilled labor, there is a large unemployed labor force. The W.P.A. is still needed and will continue to be needed for an indefinite period in the future.

Intergovernmental Contracts in California

By FRANK M. STEWART and RONALD M. KETCHAM

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THE units of local government in the United States are notoriously out of conformity with the pattern of modern urban and metropolitan development. The development of industry, transportation, and commerce has spread communities over tremendous areas so that the city government which formerly had jurisdiction over an entire community is often today only one among many municipal corporations in a single metropolitan region.

The heroic solution for the resulting problem of coordination would be to consolidate cities, counties, and other local governmental units within an urban or metropolitan region. But to accomplish such a consolidation many practical problems of finance, personnel, and administration have to be worked out and a great many political prejudices overridden. Such obstacles have made consolidation an impossibility. Meanwhile throughout the country, in all kinds of functions and at all levels of government, administrative officials are proceeding by informal agreements or by formal contracts to put into effect programs that cut across the boundaries of independent local government areas. Such administrative cooperation or functional consolidation may in the long run facilitate the legal or structural consolidation which has so often been considered necessary before anything can be done about the community needs of an area larger than the existing units of local government.

In no part of the United States has administrative cooperation in local government gone further than in California, a state in which the legal structural pattern of local government has been fixed since the city and county of San Francisco consolidated in 1856, when the municipality of Los Angeles was only six years old. Since 1891, however, and more especially during the last twenty years, the state legislature has enacted measures to expedite cooperation among units of local government. As a result there is either general or specific legislation of this kind affecting practically every phase of government. Statutes enacted in 1921, 1929, and 1935 make possible the joint performance of a common function by any number of counties or cities, and the performance of municipal functions by any county for any city within its territory.

Functional consolidation may be formal or informal, written or unwritten in origin. It may be on a statutory basis or it may simply be a working arrangement. It may embrace the joint activity of two or more usually contiguous jurisdictions including federal, state, county, city, and district levels. It may be either vertical or horizontal in its operation, including either a number of similar jurisdictions or a motley collection of different agencies. Services thus administered may be jointly provided on a prorated cost schedule, supplied regularly by one jurisdiction for another under the terms of contracts stipulating the nature of the service, or executed only in time of emergency. These multiple types of intergovernmental collaboration, while they have been used more extensively in the metropolitan counties such as San Francisco, Alameda, Los Angeles, and San Diego,

have contributed significantly to the solution of intercounty, interdistrict, and county-city relations in rural areas.

A brief summary will indicate the extent to which functional consolidation has been achieved in California among counties and between counties and cities, and a more detailed description of the situation in the Los Angeles area will suggest the way in which intergovernmental contracts have been developed in the various functional fields.[1]

Perhaps the most widespread form of intercounty consolidation throughout the state is the joint operation of tuberculosis sanitoria. Placer County, along with twelve neighboring counties, operates such a joint institution, as do Calaveras and San Joaquin, and Kings and Tulare counties. Butte and Glenn counties operate a joint ferry system. Two of the state's less populous counties, Mono and Inyo, jointly administer an employment office. Plumas and Sierra counties administer a joint county hospital and a joint union high school, and have a cooperative arrangement for library administration. Mono and Alpine counties together employ a public health nurse. Two counties contract for services from neighboring jurisdictions: Mariposa hospitalizes its indigents in the Merced County Hospital, while Mendocino houses its long-term prisoners in the Sonoma County jail.

There has been considerable development in the field of county-city relationships. At least fourteen counties do tax collecting and seven do tax assessing for municipalities within their jurisdictions. It is estimated that about half of the cities in the state have all or part of their work done by the county in which they are located. Health services are performed for cities in eleven counties. Two counties rent jail facilities to cities, while two others maintain city roads or provide library service to municipalities within their boundaries. Fresno, one of the larger counties, performs the duties of treasurer for the city of Fresno where the county seat is located.

[1]For a more extensive treatment of this problem see H. F. Scoville, "Thrift via County Consolidation," 28 *National Municipal Review* 708–711 (1939).

The Case of Los Angeles

THE part of California in which functional consolidation by contracts has been accomplished most extensively is the metropolitan area of Los Angeles.[2] This fast growing area is the only metropolis in the United States that is confined almost entirely to one county. It includes, altogether, forty-five cities, of which twenty-four have less than 10,000 population each. It also includes eight hundred governmental districts, and about half a million of its two and three-quarters million inhabitants live in unincorporated areas. These facts complicate tremendously the problem of determining adequate standards of service throughout the county.

Functional consolidation has been carried out by contracts in nearly all major fields of administration in the Los Angeles area. Some of the contracts, especially in such matters as sewage disposal, water and power supply, and civil service, may set forth in considerable detail the specific administrative undertakings and charges covered by the agreement. In other functions, such as health, library service, inspection services, and planning, terms of the contract may be very broad. Some contracts state specific charges to be paid by one contracting party to the other, or by both, for joint administration. The charges may be stated in terms of dollars or percentage of cost. The determination of cost may be prescribed by the contract on the basis of meter flow, as in sewage disposal and water and power supply; on the basis of volume of money handled, as in tax assessment and collection; on the basis of men, equipment, and time, as in fire protection; on the basis of

[2]A detailed discussion of both contractual and informal administrative collaboration between jurisdictions in the Los Angeles area is contained in a report published by the Bureau of Governmental Research, University of California at Los Angeles, in December, 1940. See also Frank M. Stewart, "City-County Contractual Relationships," 19 *Public Management* 14–17 (1937).

meetings for consultation, as in planning; and on the basis of proportionate areas served, plant capacities used, or surfaces owned by each jurisdiction, as in sewage disposal and construction of roads and bridges.

There is a wide range in the duration of the contracts. Generally they are terminable at the end of the fiscal year without reference to the original date of approval. The customary term in force is one year, as in health, library, civil service, and fire protection administration. Other contracts continue indefinitely subject to written notice by either party, as in tax assessment and collection, parks, playground, and recreational facilities. In some instances contracts extend for from five to fifteen years with rights of renewal for like periods. Only in the field of sewage disposal are there contracts without termination clauses. These agreements ordinarily call for participation for the life of the system maintained by the city or agency supplying service. Certain of the Boulder Dam contracts extend for fifty years from the date of first delivery of water, or power, or both. In most cases contracts, regardless of their duration clauses, are automatically continued for the original period unless written notice of intention to withdraw is submitted.

Some two hundred intergovernmental contracts are currently in effect in the area. They deal with every major function of local government except police, purchasing, and public welfare administration; there is active cooperation among local units in the two former functions, and the county government has exclusive jurisdiction over public welfare administration.

Tax Assessment and Collection. Early laws permitting the county to assess and collect taxes for cities were not taken advantage of in Los Angeles County until 1907. In the period from 1910 to 1929, however, thirty-one communities turned this function over to the county. An act of 1915 authorized first-class cities to transfer this function by charter provision. The charter of the city of Los Angeles was amended in 1917 to permit this transfer, which was effected at once. Today, forty of the forty-five cities in the county have delegated this function to the county assessor and county tax collector. Among the other five cities only Long Beach and Pasadena are large communities. In return for this service the county is authorized by law to charge not more than 1 per cent of the first $25,000 tax collections or more than one-fourth of 1 per cent for all collections over that amount. From a total fee of $20,570 in 1920, the county charges have gradually increased to an average of $58,000 annually for the period 1934-1939. The city of Los Angeles is not subject to the usual rate but under an ordinance of March, 1920, pays $22,350 annually for the service.

Health. The performance of health administration for cities by the county health officer is almost as extensive as the service provided in tax assessment and collection. From the enactment of permissive legislation in 1919 to 1933, thirty-six of the then forty-four cities of the county contracted for health services from the county. Legislation of 1935, however, permitted any but first-class cities, meaning Los Angeles, simply to request the county health officer to undertake such administration without contract or payment of charges. Regulations authorized by this enactment include the enforcement of orders of the State Board of Health and all pertinent general laws. The Health and Safety Code has removed the exemption of first-class cities; therefore, even Los Angeles may now request the county to do its health work.

Any city which wishes health administration in addition to the basic services provided by the county is empowered to contract with the county health officer for the enforcement of designated local ordinances. As of 1939-1940, thirty-nine of the forty-five cities of the county had requested the performance of basic health service by the county. Of the thirty-nine cities receiving such service, nine have chosen to let the

basic administration constitute their complete health function. The remaining thirty communities have signed contracts with the county for the administration of various local ordinances which the basic service does not include. Monies collected by the county health department under contracts prior to the 1935 legislation ranged from $19,185 in 1924-1925 to $87,288 in 1929-1930, and $57,050 in 1935-1936. The new measure requiring the county to perform services without charge has cut sharply into revenues, the average for the period 1936-1940 running just over $6,000 annually.

Sewage Disposal. The use of contracts in connection with sewage disposal systems and treatment plants is quite extensive. Since 1923 the city of Los Angeles has negotiated forty-one contracts with eleven cities, six county sanitation districts, most of which include other cities, one high-school district, a veterans' facility operated by the federal government, a county institution, and private corporations in county territory which is surrounded by the city of Los Angeles. In cases where the contracting city is an enclave of Los Angeles, the entire sewage discharge of the smaller jurisdiction is taken into the Los Angeles mains. In other instances, particularly where portions of the Los Angeles area are remote from existing drainage lines, the city and the contracting jurisdiction drain sectors of each other's area to avoid the construction of additional sewer lines. The city of Los Angeles in the period 1926-1929 received capital contributions of $1,502,500 and a total of $318,737 in annual charges from the various contracting jurisdictions.

Arrangements involving other areas also are in effect. Since 1922 Pasadena, South Pasadena, Alhambra, and San Marino have jointly maintained a sewage disposal and treatment plant serving their combined areas. Each city pays a part of the cost of operation and maintenance proportionate to its discharge. Pomona, La Verne, and Claremont have a similar sewage disposal contract which has operated since 1926. An adjacent state institution also contracts for services from the Pomona system.

The county sanitation districts maintain a joint administrative office, and four of these districts also operate a joint outfall sewer and treatment plant. The latter districts have contracted with Long Beach to drain an outlying city area into the joint district outfall.

Personnel. Legislation for contracts in the field of personnel administration is comparatively recent, but contractual activity has developed rapidly. Since 1936 the County Civil Service Commission has signed contracts with ten cities in the county as well as the fire protection districts and the Los Angeles flood control district. In return for examinations and personnel services administered under these contracts, the county received a total of $6,638 from July, 1936, to May, 1940. County contracts are standard in form with prescribed fees for work on classification systems, compensation plans, rules and regulations, conduct of hearings, preparation and conduct of examinations, and general administration.

Since 1935 the State Personnel Board has cooperated with county and city personnel commissions throughout California. Formal contracts were not authorized, however, until 1937. Two types of contracts have been developed, one for assistance in preparation and scoring of examination material, the other for general technical services as well as examination work. Six cities and four school districts in Los Angeles County now contract with the State Personnel Board. In addition to regular contracts, both the County Civil Service Commission and the State Personnel Board assisted the Los Angeles City Civil Service Commission during its reorganization in 1938-1939. For services rendered to fourteen jurisdictions during 1939-1940, nine of which were in Los Angeles County, the State Personnel Board received $3,481.

Libraries. Contracts in library administration have been authorized by several laws during the past thirty years. According to

the law every city must maintain its own public library or become subject to the county library tax and be served by the county public library. Any city having its own library may contract with the county library for special services. At present twenty cities in Los Angeles County pay the designated library tax rate in return for which the county maintains local library facilities. Twenty-two municipalities, including all but one chartered city, operate their own libraries.

Provisions contained in the School Code empower any school district to make the school library a county library branch. Under this authority eighty-five out of 113 elementary school districts in the county are served by the county library. When such an arrangement is signed the district turns over to the county all books and property of the school library, and thereafter the funds available for library service are given to the county. This amount is required by law to be not less than $25 annually per teacher. During the period 1937-1940, the average annual amount received by the county library from these eighty-five school districts has been $25,150.

Fire Protection. Opportunities for contractual relations in the field of fire protection are practically unlimited, but cooperation in Los Angeles is largely informal. Every city in the county except one maintains its own fire department; the Los Angeles County Department of Forester and Fire Warden and the district office of the United States Forest Service also have fire-fighting forces and equipment. Contracts have been most extensively employed by the county forester and fire warden. He has written agreements with the cities of Glendale, West Covina, and Manhattan Beach, with the State Division of Forestry and the fire warden of Ventura County, the United States Soil Conservation Service and the Civilian Conservation Corps, the Angeles and Santa Barbara National Forests and the Angelus Forest Protective Association, the Bureau of Power and Light of the city of Los Angeles, and the Southern California Edison Company.

Glendale's agreement calls for cooperation in the suppression of grass fires along contiguous Glendale and county boundaries. West Covina contracts for service by the county to the city at $50 per call for the first hour and $25 for each hour thereafter. In Manhattan Beach the arrangement provides for service by the city to the adjacent El Porto County Fire Protection District. The district pays the city at the rate of $25 per call. Other agreements to which the county is a party cover the prevention and suppression of fires in brush and forested lands.

Public Utilities. Relatively few contracts exist between jurisdictions with reference to public utilities such as water, power, and gas. A number of communities in the county own electric, water, and gas systems and supply services to unincorporated fringes. Certain county strips and areas surrounded by the city are serviced by the Los Angeles Department of Water and Power. These services are not on a contract basis but are provided for individual consumers rather than corporate jurisdictions. There are also provisions for stand-by services to certain communities in emergencies.

The Department of Water and Power of the city of Los Angeles, the Metropolitan Water District of Southern California, and three private utility companies have contracted with the United States Department of the Interior relative to the leasing and use of Boulder Dam water and power supplies and facilities.

Created under an act of 1927, the Metropolitan Water District is composed of thirteen cities, ten of which are in Los Angeles County and three in adjacent Orange County. Other incorporated cities, water districts, and public utility districts may join the Metropolitan Water District on payment of the necessary capital contributions and assumption of financial responsibilities. The district has no contractual relations with other jurisdictions in the county but

is an illustration of special development for the provision of an essential public utility.

Formal contracts with the cities of Glendale, Burbank, and Pasadena have been made by the Los Angeles Department of Water and Power. In the contracts of 1930 with the federal government, the city of Los Angeles, through its Department of Water and Power, leased certain power privileges and capacity rights in the power plants to be constructed at Boulder Dam. Under the contracts Los Angeles has built transmission lines carrying power into the Los Angeles area where the cities of Burbank, Glendale, and Pasadena have built lines to the Los Angeles boundaries. Power is delivered to the contracting cities which pay the federal government for the current supplied. Amounts of these payments are deducted from Los Angeles City's bill from the federal government. The power plant at Boulder Dam is the property of the federal government and is leased to the city of Los Angeles which pays the costs of generating current.

Planning and Inspectional Services. Recent activities in planning administration and in the performance of inspectional services indicate definite possibilities for contractual relations in these fields. Thirty-two cities in the county have planning commissions. Three communities—Manhattan Beach, San Gabriel, Torrance—have contracted with the Los Angeles Regional Planning Commission, which is the official planning agency of the county. In the case of San Gabriel the contract called for the writing of a zoning ordinance. The Manhattan Beach and Torrance contracts provide for technical assistance by planning commission engineers at the rate of $10 per meeting attended. Considerable development in this field is anticipated by officers of the county.

Since early in 1939 the County Department of Building and Safety has signed contracts with four cities of the sixth class for the performance of all inspectional services provided under the respective city building, plumbing, and electrical codes. Under these contracts the city provides quarters, utilities, janitor services, and whatever supplies may be necessary for the performance of work by the county. In return the county does all inspectional work and inspectional fees are accepted by it as full payment.

Streets and Highways. There are numerous interjurisdictional contractual relations in connection with the construction and maintenance of streets and highways. The State Division of Highways, the County Road Department, the Los Angeles City Engineer's Office, and the road divisions of other cities in the county regularly work together on a variety of projects. The state is authorized by law to designate certain roads as state highways. Portions of state roads which pass through the larger cities are built by the state but are returned to the city for maintenance and control. A similar procedure is followed by the county where roads which run through cities are designated as county roads. The County Road Department has done work on contracts, usually for smaller cities, and has returned jurisdiction to the city when the job is finished. The state loans engineers to cities in the county on payment of salary. Bridge and viaduct construction and major freeway improvements have been handled under such contracts involving financial arrangements between the state, county, city, and Public Works Administration. The job is usually done, however, by a single agency although jurisdiction resides in the agency on whose territory the improvement is located. Neither the state nor the county rents road equipment to cities. Usually the large agency is granted temporary jurisdiction over a particular right of way, proceeds to do the work, and then returns jurisdiction to the city. The County Road Department paints traffic lines for a number of smaller cities on a contract basis. There are no instances of joint maintenance and control over streets, highways, bridges, or viaducts. Distribution of gas tax monies to various jurisdictions is governed under state law and does not involve contractual arrangements.

Recreation. In the administration of parks, playgrounds, and recreational facilities, there are only isolated instances of arrangements by contract. The County Board of Supervisors annually appropriates money to several beach cities for the maintenance of lifeguard services where the beaches are used in large part by nonresidents. Resolutions covering this service stipulate the payments to be made by each jurisdiction and set forth the extent of service to be maintained. The County Recreation Department maintains and controls parcels of state park property on the beaches under contract for payment of $3,000 annually to the county for such service to the state. In several instances the city of Los Angeles, through its Department of Playgrounds and Recreation, has arrangements to use county baseball diamonds which are equipped for night games. The city pays for lighting. Los Angeles County also contracts with the City Board of Education for the night lighting of certain school playgrounds in unincorporated areas of the county.

Coliseum. Although not a major illustration, the construction and operation of the Los Angeles Coliseum have involved a series of contractual relations extending over the last two decades. Land on which the structure is located is leased jointly by the city and county of Los Angeles, which have contributed equal shares for its construction. Erection was in the hands of the Community Development Association, a private group incorporated to develop exhibits, fairs, and athletic events in the Los Angeles area. Since 1933 the Coliseum has been under the joint management of the city and county. A nine-member commission directs its affairs; on this commission are representatives of the city of Los Angeles and its Recreation Department, the County Board of Supervisors and its Recreation Department, and the Sixth District Agricultural Association which leases the land to the city and county.

Conclusion

COOPERATION by contract has a number of advantages. The predefined type of cooperation required under contracts is much more satisfactory than informal, personal arrangements which tend to change from time to time. In the written agreement responsibilities both financial and administrative are clearly indicated. The usually temporary character of contracts makes periodical revisions of procedure and method an easy process. Thus the rigidity of legally restricted public corporations in their day-to-day operations is avoided. Considerable room is left for administrative experimentation.

Flexibility and easy conformity are not the only virtues of contracts. Often where annexation, consolidation, or control through special districts is politically inexpedient, contracts serve to promote uniformity of service without depriving smaller jurisdictions of their cherished political prerogatives. The economy of the contract method is readily apparent. Handicaps of meager finances and poor staffing of small administrative departments are overcome by having long-established agencies merely add a new parcel of territory to a large existing system. Many communities are obtaining services which alone they never could approximate out of limited tax funds. In terms of efficiency through expert administration, the small jurisdiction profits greatly by the use of contracts. The small city or district saves money and receives generally better service, and it does not lose its political identity. On the other hand both jurisdictions have an opportunity to experiment to discover whether it is more advantageous to organize community services on a larger scale.

In the long run such experimentation may prove to be a transition to consolidation or federation of the local units, and in the meantime it is serving a useful administrative purpose.

Managing Committee Work in a Large Organization

By COMSTOCK GLASER

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ANY large administrative organization, particularly one which is democratically managed, is bound to need many committees. The United States Department of Agriculture usually has between one hundred and one hundred fifty active internal committees, each representing two or more bureaus or staff offices, and in addition is represented on about half of approximately four hundred interdepartmental committees. These committees are an essential part of the administrative machinery of the Department and of the entire federal government. They represent what might be called a peculiarly American way of doing things because they provide a means for the formation of policy, not just at the top, but all up and down the line. They afford a channel through which many individuals can pool their experience and knowledge and participate in major accomplishments on a broader basis than would otherwise be possible. The departmental committees operate on various levels and vary in formality; some are created by the Secretary or by bureau chiefs, and others are simply groups of executives who get together now and then.

A committee usually comes into being because of a specific need for coordination, information, or the development of a policy or program. The larger an organization and the more complex, the more often occur situations in which people have to get together to talk things over.

Since 1933 the Department of Agriculture has tripled in size and has replaced a program that emphasized scientific and technical phases of farming with a broad agricultural program designed to help the farmer in *all* his problems. This expansion resulted in an increasing number and variety of interrelations among activities, and to provide coordination without undue centralization interbureau committees have been set up as the need for them emerged. These committees have performed and are performing an essential service in integrating the work of the Department and translating ideas into practicalities. Their number has increased, however, to the point where they present a serious management problem. Committees must produce results, since the administrative scheme gives them definite jobs which must be done. They must not interfere with each other or with operating units, either by overlapping spheres of jurisdiction or by absorbing the time of important officials. Realization of the need for getting the most out of committee work led to a study of the way committees operate in a large organization, with emphasis on maximum results for the least time and effort of executives.

Private concerns seldom have as many committees as government agencies, for their functions are usually fewer and simpler. In both types of organization, however, the number of problems that require committee treatment will be greatly influenced by the number of different activities forming parts of a program and the number of organization units responsible for carrying them on.

If it were possible to discount the fact that some activities require more integra-

tion than others, a mathematical relationship would be observed between the number of bureaus or divisions participating in a program and the number of committees required to coordinate the work based on the theoretical number of possible relationships among any number of units. Fortunately only a small proportion of the theoretically possible relationships materialize as operating problems, a fact that helps businessmen and public officials keep their sanity. On the other hand, various kinds and degrees of relationship may exist between any two units. In order to effect administrative coordination the units with the most intimate operating relationships are grouped into sections under common supervision, sections with the most closely related activities are grouped into divisions, and so on. But in a complex situation it will not be possible to bring all of the relationships of a unit directly under one superior authority, nor will it be practical to handle all contacts across divisional lines through the "official channels" of the division heads. Coordination by the higher authorities must be supplemented with self-coordination by subordinate units through committees. The Department of Agriculture now has thirty-five bureaus and staff offices carrying out parts of a vast program of scientific research, education, regulation, crop reporting, economic and social action, and land-use management, all of which must be coordinated internally and integrated with other activities of the federal government and of state and local governments. In view of the range of the program and the complexity of operating relationships, it is rather surprising that the Department has so *few* committees, and that the government as a whole has only several hundred interdepartmental committees instead of several thousand.

The Committee Problem

If a large organization is to avoid tying itself in knots by overcentralization, it must use committees extensively as a tool of management. This tool must be kept sharp and it must be handled with a minimum of lost motion. The techniques that are developed in connection with committee work need to be continuously analyzed and evaluated.

In line with its policy of improving administrative machinery, the Department of Agriculture recently circulated a questionnaire in an effort to find out how its committee system was working. The chairmen of internal committees and the Department's representatives on interdepartmental groups were asked to state the functions of their committees as they understood them, and the nature of their problems—whether continuous, recurrent, temporary, or no longer existing. They were asked to state the frequency and length of meetings over the last eighteen months and the theoretical time necessary for each committee to operate with full effectiveness—assuming that the members had plenty of time. The questionnaire concluded with the items: "Are members too overloaded to give the time they should to the committee?" and "Is it hard to get the committee together?" The answers showed that the committees as a whole were accomplishing a great deal of useful work, but they also revealed certain tendencies and shortcomings which needed correction.

1. *Committees multiply too rapidly.* In an organization accustomed to using committees, there is a tendency to establish them without considering sufficiently whether a particular problem should be handled by a committee, and if so, whether by an existing committee or a new one. The result is overlapping and confusion. In the words of one committee chairman:

> I am a strong believer in the humanitarian programs of our Department in general and in the need for consultation with people in every walk of life, especially of the lower and usually inarticulate strata. Yet at times I am appalled at the tremendous amount of lost motion and confusion and the small amount of concrete results accomplished through committee work.
>
> Possibly, after thirty-nine years in the Department, and in the light of my experience, I may be

forgiven if I express the opinion that we could maintain intimate contact with the people who are affected by the programs of the Department and still preserve a thoroughly fair and democratic spirit in all our dealings, with fewer coordinating committees, and with greater authority lodged in one unit to make decisions and obtain worth-while results.

2. *Committees tend to bog down.* When a committee is set up, a responsible executive should give its members precise instructions; otherwise they may waste time debating what they are to do and end by doing nothing. Even if it gets off to a good start, a committee needs to be kept on the "straight and narrow" because the division of responsibility among a number of people, each with his own ideas, leads to diffusion of energy. A member of an interdepartmental committee described this situation thus:

> The committee seems to have spread its efforts much too thin. The main suggestion for improvement is that it concentrate on analyzing problems and sponsoring investigations by member agencies. . . . The committee, like other groups, seems to be handicapped by a lack of policy and directive effort on the part of the parent organization in Washington, and progress is slow. Considering the small amount of time members can devote to committee work, efforts are being dissipated by attempts to formulate general, all-inclusive plans. For the time being it should concentrate on such matters as analyzing problems and sponsoring special studies of major problems. There are some recent indications that the committee will soon settle down to work of this character.

The committee here described was "orphaned" by lack of attention from the agency that created it. Officials who create committees need to give them advice and encouragement periodically and show them how their work relates to the larger programs.

3. *Committees are not self-terminating.* According to administrative convention, committees can be abolished only by the officials who create them or by their superiors. Except for committees with a continuing load of new or recurrent problems, such as budgets, production plans, personnel ratings, and the like, they should be terminated when they have finished the jobs they were set up to do. If the coup de grâce is forgotten their status becomes indefinite. It was found that many of the committees on the Department's records had completed their assignments, or had long since lapsed into inactivity. The first tangible result of the survey was a Secretary's memorandum terminating 160 committees at one stroke.

4. *Key men become overloaded with committee work.* Some interlocking of membership is essential so that committees will not work at cross-purposes. But the tendency to appoint the same persons to committees can be easily carried to the extreme; those setting up committees will, unless instructed otherwise, pick the "obvious" persons as members. It was found, for instance, that while 456 persons each belonged to one committee and 286 belonged to two or three, 43 belonged to ten or more, 21 belonged to more than fifteen, and the "champion" belonged to thirty-three. The overloading of key executives with committee work is illustrated by the answers to the question: "Are members too overloaded to give the time they should to the committee?" Of the 235 replies, 60 were "yes" and 26 were qualifying statements indicating various degrees of pressure.

The conflict of committee work with the regular duties of members was described by several chairmen in their questionnaires. For instance:

> The chief difficulty in carrying out the function of the committee in a comprehensive manner is the fact that the work is an extra load which must be carried on at the same time as the regular work for which the personnel of the committee are responsible. Each member of the committee has regular duties which would occupy his full time without the additional work.

And, again:

> Another problem that deserves consideration is the time given by action agency representatives to these conferences. As chairman of this committee I gave probably three weeks' time to the committee's assignment at the sacrifice of my regular work. This is no criticism of the assignment, but consideration should be given to providing for such extra-curricular activities in the plan of work for action agency representatives.

These responses suggest that committees, unless fitted into the work plans of organizations and individuals, build up pressures that cause either regular work or committee work to be skimped. They also suggest the need of balancing input with anticipated results by economizing on the number of committee assignments of key officials whose time is most expensive.

It is obvious from the above discussion that committees need to be managed. Each committee, like each individual, should report to and be directed by one superior officer, but some over-all control is necessary to supplement the direct supervision. Some body needs to see that unnecessary committees are not created and that those which finish their jobs are promptly terminated, that each committee is given a definite assignment and kept at it, and that no official is distracted from his essential work. Since committees are not abstractions or mechanisms which may be regulated at will but groups of personalities, their management is far from a routine task; it requires a good understanding of their nature, their principal types, their possibilities and limitations, and the human problems which arise in them.

If an organization starts a program of management for its committees, the first thing to be decided is, "what is a committee?" Perhaps it would be best to stick fairly closely to Webster's definition of a committee as "a body of persons *appointed* or *elected* to take action upon some matter or business, as by a court." The mere calling of a conference to deal with a transient situation, even though there may be a number of sessions, does not constitute a committee unless there develops a program of activity definite enough to affect the work loads of executives and to warrant administrative guidance. It is hard to draw an infallible line at which committees begin to exist—each case must be judged on its own merits, largely on the basis of common sense.

Committee management is not only a matter of keeping in touch with existing groups. It has its creative side which is called into play whenever a problem arises which may warrant the establishment of a new committee. The situation must be analyzed to determine what a committee might do, whether in view of the circumstances a committee is desirable, and if so, what kind of a committee would be desirable. This analysis requires a knowledge of the kinds of situations which call forth the demand for committees, the functions which these situations predicate, and the various reasons for and against committees.

Types of Committees

THERE are many possible kinds of committees, and, in fact, no two are exactly alike because no situations in which they function are identical. They are, however, almost all modifications or combinations of four basic types—the executive, the policy-forming or planning, the fact-finding, and the discussion committee.

1. *The executive committee.* An executive committee is what its name implies—a multiheaded executive. Within its sphere it operates as an individual would; it has direct responsibilities, makes decisions leading to immediate action, and gives orders. If it deals mainly with detailed problems requiring firsthand information, the individual members may be its eyes and ears and its procedure may be informal. If it deals with routine matters, it may function by considering "cases" or "dockets" presented according to somewhat formal rules of practice. This formal procedure is usually followed in the government only in the case of quasi-judicial boards, but a number of private concerns have experimented with formalized procedure in disciplinary cases.

In some corporations and a large number of nonprofit institutions, charitable trusts, and similar bodies, the board of directors acts as an executive committee, passing upon many operating problems and approving appointments and allocations of funds. If the board is more remote, there may be an "operating committee" of several high officials

which deals with current problems of more than divisional magnitude. There may be subsidiary committees in charge of activities crossing departmental lines, such as finance, personnel policy, sales, and public relations, as well as committees made up of specialists, such as consulting groups of trust officers and actuaries in banks or insurance companies.

Executive committees function from day to day and usually deal with a multitude of little things, or with a recurrent subject such as the disposal of surplus property, or the clearance of certain kinds of projects. They are expensive because the members must be of high enough rank so that other executives will not resent the authority given them, and because they may spend as much time deliberating as would an individual administrator considering the agenda by himself. For these reasons the recent tendency is to limit their numbers and to restrict their use to situations and subjects in which it would be unwise to give final authority to an individual.

2. *The policy-forming committee.* The policy-forming or planning committee functions in less detail and with a longer perspective than the executive committee. It assembles and analyzes data on a problem or sphere of activity and decides on a program of action, a policy, or a standard. The emphasis is less on immediate control and more on analysis and appraisal. The executive committee says yes, no, and how many dollars; the policy-forming committee says what, how, and particularly why. It gathers needed information, either through its members or through a secretariat, but it does not indulge in extraneous fact-finding. The report of a policy-forming committee is usually short; it is confined to a succinct statement of the problem, the conclusions reached, and the supporting data.

A policy-forming committee may be either "determinative," having power in its own right to declare effective its conclusions, or it may be "advisory," presenting its findings to an administrative head who, if he concurs, promulgates the necessary orders for carrying out the committee's designs. The Department of Agriculture has both kinds of policy-forming committees. One of the most important of the determinative type is the Water Facilities Board which has general charge of shaping the program under the Pope-Jones Act providing for government financing of water facilities, such as ponds, wells, reservoirs, and distribution systems in certain semi-arid states. The work under the program is carried on by three bureaus which have members on the board. The chairman represents the Office of Land-Use Coordination, an arm of the Secretary. The board authorizes areas for planning and operations, and passes on the larger projects and on operating and administrative budgets, its determinations being final. It does not consider individual farm projects, and it has tended more and more to leave problems of detailed coordination for direct adjustment between the bureaus concerned.

Other determinative policy-forming committees are found in the *ad hoc* groups drawn from the Land-Use Coordination Liaison Board, a panel of ranking bureau officials. These groups work out departmental policy in areas where bureaus have common interests. They try to see that each bureau has its opportunity to contribute effectively to a joint program, and incidentally to avoid possible conflicts and overlaps in jurisdiction. While the determinations of these groups are officially subject to review by the Secretary, such review is seldom required, particularly since the Secretary's staff officials have participated in the discussions.

Advisory policy-forming committees which submit their recommendations to the appropriate administrative officials are more numerous. The most important of these are the interbureau coordinating committees, which formulate programs in a large number of fields where bureau activities interlock. Other committees of this type are the Agricultural Labor Committee, the Uniform Grain Storage Contract Committee,

and, on the interdepartmental level, the Committee on Printing and Processing. Each of these is expected to make its recommendations to the appropriate administrative officials, who will then take action.

Comparing the two kinds of policy-forming committees, the determinative type has several disadvantages. The most important is the confusion which may result from the division of scalar authority. It is an accepted principle of good organization that an official, of whatever rank, should take orders from *one* superior. Although under modern conditions he may rely for technical guidance (and for all practical purposes for direction) upon specialized staff offices outside the regular chain of command, he is bound in the last analysis only by the orders of his superior officer, to whom he may appeal if he disagrees with the "advice" of technicians. To slice off a segment of this final authority in however narrow a field and give it to a committee not responsible to the superior of the line officer whose function is affected raises an immediate possibility of conflict. In case of dispute who should be obeyed—the committee or the superior officer? Who draws the line limiting the committee's jurisdiction?

Because of this inherent weakness of determinative committees, it is usually necessary to include on them all operating officials whose functions are concerned. This necessity gives rise to two more difficulties. Because of the participation of operating heads, who usually have heavy loads of routine work, it is hard to get determinative policy-forming committees together frequently enough or for long enough to make substantial progress. And because no one likes to dictate to those over whom he has no clear authority, these committees tend to spend too much time over details in order to satisfy rather minor objections of operating officials.

If a policy-forming committee is "advisory," on the other hand, it can do more by doing less and do it better. Operating heads need not be members because they can exert their influence when the committee's recommendations are before the administrator who passes judgment upon them. An advisory committee may consist mainly of junior executives who are competent to represent their departments, and of technicians; both groups can have their duties adjusted to allow time for meetings and for outside work. It is not necessary to answer every possible objection as it comes up because differences of opinion can be settled by the higher official who has authority to approve or reject.

There have always been both authoritative and advisory policy-forming committees in the Department of Agriculture. The record seems to show that the advisory committees can spend much more time on projects requiring extensive effort, and that their advantages are unquestioned. The modern trend is toward confining policy-forming and planning groups to the advisory type in which final responsibility rests on administrators in the regular chain of authority.

3. *The fact-finding committee.* The functions of a fact-finding committee are essentially different from those of a policy-forming committee. The emphasis is upon the discovery of essential facts and relations rather than upon the immediate issue of what to do. A fact-finding committee usually works with scientific thoroughness and normally is not required to meet an arbitrary deadline or to reach definite conclusions. It may, of course, indicate policies and programs, suggesting one or several possible courses of action. Its main object, however, is factual analysis so that administrators or subsequent policy-forming committees may have a sound basis for action.

4. *The discussion committee.* The main purpose of the discussion committee is to exchange information and views so that responsible officers may reach a common understanding on a defined topic of common interest. The Department of Agriculture has many such committees. For instance, the accountants and the purchasing

officers of the various bureaus get together once every month; one member prepares material for each session and leads the discussion. Other committees consider new scientific methods of farming, economic developments, and all kinds of subjects where additional knowledge will help the members to do better jobs. The discussion committee, which exists for mutual education, provides a means through which executives whose activities interlock can become acquainted with each other and can straighten out misunderstandings, pool ideas, and devise improved ways of doing things. Such committees are valuable in building better all-round working relations.

Standards vs. Standardization

Among the four general types of committees there are as many species as there are problems and individuals. Frequently the basic types are mixed, as, for instance, when an executive committee is given responsibility for developing a long-range policy in some field, or when a fact-finding committee acquires executive responsibilities. Frequently mutations from one type to another take place naturally. Standardization of committees is a will-o'-the-wisp, and good management consists not in manufacturing them to fit abstract patterns but in helping to create committees suited to each unstandardized problem and to the conditions under which it must be solved.

There are certain standards, however, which can be applied to committees under variable conditions. They do not, of course, guarantee good committee work, but they represent the minimum conditions under which committees *can* do good work. These standards are all related to the problem of *time*.

1. *Each committee should have a time budget.* Each committee needs enough of the time of its members to operate effectively, and the chairman and members should be freed of other duties to the extent necessary for committee work. The amount of time needed for the committee must therefore be estimated. This suggestion usually brings the retort: "Impossible! You cannot know how much time a committee will take until it gets under way," which is a variation of the old argument that "executive work cannot be planned." The answer is that the time *must* be estimated—not down to the last minute, but within a reasonable margin. Committee work is far more measurable than is commonly supposed, and a careful analysis of the task a committee is to do should not only yield a time estimate but should also provide a basic plan of operations. A committee's time budget should never be regarded as infallible but should be revised periodically.

2. *No one should have too much committee work.* If the work of a committee is to consume a certain amount of time, the members must have that time available. The number of hours an executive can spend away from his regular duties is variable and flexible, depending on many factors such as the number of subordinates, the flow of routine papers, and the volume of contact work. It would be impossible to make any hard and fast rule, but a study of the work load data included in the investigation of the Department of Agriculture seems to justify the tentative conclusion that the number of hours which a typical division chief can give to committee work without danger of overload is between fifteen and twenty-two per month, not including conferences, or from 10 to 15 per cent of the official working time. This figure is subject to revision up or down in each particular case. An assistant chief can give much more time, and a staff officer without routine or supervisory duties may give all his time to committees. It is desirable to find out how much time each executive can give to committee work—one way is to ask the individual to review his work load rather carefully—and then to limit his committee assignments to those he can handle in his available time. Although this rule can be violated in emergencies, its consistent disregard will build up overloads and interfere with executive work.

3. *Committee assignments should be distributed as widely as possible.* In order not to schedule key men up to or beyond their limits, it is desirable to spread committee work among all who are capable of participating effectively. It will frequently be necessary to have only one or two top-line men on a committee; the rest may be assistants or juniors. Mingling men of various grades in committees gives younger executives the all too rare opportunity of becoming acquainted with their leaders and also experience in handling big problems without placing too much responsibility in their hands.

A Committee Control System

THE achievement of good committee work requires consistent management. The objectives are multiple—to see that the right men get on the right committees, that committees are of the right size and type for their jobs, that they get ahead with their work, and that dormant or defunct ones are terminated or reorganized; to control time factors; and to avoid duplications and conflicts.

The Department of Agriculture is now experimenting with the systematic management of committees. The word "experimenting" is used advisedly because committee management is a new field and techniques must be developed out of practice. The Department is feeling its way; no one knows at this point what rules and procedures will finally prove to be the best.

The first step in committee management was the designation of one of the Secretary's staff assistants as "Clerk of Committees." The clerk has been given the function prior to signature by the Secretary, of clearing all papers establishing, appointing members of, reorganizing, or terminating interbureau committees, or designating Agriculture representatives on interdepartmental committees. He also keeps complete records of the functions and personnel of each committee, of the time when reports are due, and of the assignments of each committee member.

Whenever a new committee is to be established, the clerk is expected to make sure that its proposed functions do not conflict with those of other committees or of organizational units and that its instructions are clearly stated. So far as possible, and with the assistance of responsible operating officials, he will plan the membership of committees so that no one becomes overloaded. If any officials who already have heavy loads are "musts" for a new committee, he will arrange, if possible, to have them released from committees to which they already belong. The document setting up each committee will indicate a reasonable tentative deadline for its report, if any, and a date on which the committee will expire unless specifically renewed. On each of these dates the clerk will take the action called for by the situation—urging prompt submission of the report, terminating the committee, or extending it. Each committee will have a number for general reference. Such a designation is necessary because the names of committees often become confused and without numbers correspondence pertaining to one may wind up in six or ten different files.

At stated intervals the chairman of each internal committee and the Agriculture representative on each interdepartmental committee will file a very brief report with the clerk. It will indicate the time spent in meetings and on outside work for the committee and the approximate degree of progress toward the objective. These reports will afford a means of comparing actual with estimated work loads and of developing improved techniques for planning future activity.

Education and Training of Personnel in New Zealand

By LESLIE LIPSON

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LAISSEZ faire died in New Zealand when democracy was born. Nor was the conjunction accidental. A citizenry newly enfranchised sought to develop the resources of a young country and to alleviate economic distress through the power of a state which was theirs to use. Inaugurated in the seventies, a tremendous expansion of governmental activity was accelerated in the nineties, persisted through the last war and the early twenties, and was revived in the latter part of the thirties.

Unfortunately, New Zealand has been slow in adjusting to modern-day needs the conceptions of democracy which were inherited from the end of the last century. Permeating the social outlook of the Dominion, those conceptions have also molded the organization of its civil service. Nineteenth century democracy as it evolved in the United States and the British colonies was suspicious of bureaucrats and paid homage to the ordinary common sense which was supposedly the birthright of every citizen. Without as explicit a formulation, the sentiments of Andrew Jackson nevertheless found favor in New Zealand. But democracy of the twentieth century cannot dispense with experts, and democratic theory must reconcile itself to their presence. Education and training of personnel have been hampered by unwise extensions of the sound dogmas that equal opportunity must be afforded to all, that no class should enjoy privileged status within the civil service, and that every office boy may become a department head. The antagonism in New Zealand against anything corresponding to the British administrative class, the reluctance to admit university graduates save those with professional degrees, the insistence that a future under secretary must receive his initial training in the most elementary routine, these are the legacies of the New Zealand interpretation of democracy. The evolution of the public service is a test of the adequacy of that interpretation.

Prior to 1912 the New Zealand public service was uneven in its standards and chaotic in its organization. Statutes had multiplied during the era of Liberal-Labour supremacy (1890-1911), and administrative staffs multiplied with them. But neither statutes nor staffs received adequate consolidation. Prevalent defects were like those in any civil service before the institution of a central personnel agency. There was no classification system spread horizontally across all departments. Sporadic attempts at classifying had broken down because no full-time agency was created with the authority and the interest to make them succeed. Since positions were not classified, salaries varied considerably and work of equal responsibility was not equally remunerated. Promotions depended more on seniority than on merit, and on influence more than either. Transfers between departments were difficult to secure since each agency jealously regarded itself as an independent unit. Political appointees, moreover, classed as "temporaries" or "experts" were introduced into departments, often over the heads of

established personnel.[1] As a consequence the morale of public employees was at low ebb. A public service, in the strict sense of a single service, did not yet exist. An agglomeration of uncoordinated services would be a description closer to the facts. A principal unifying thread consisted of common resentment at common grievances.

Early Developments

DURING this period little attention was paid to the education of civil servants. Only a few rudimentary developments foreshadowed what would later evolve. A Civil Service Examination Act, for instance, was adopted in 1900, "which set forth examinations that cadets entering the Service had to pass, and, amongst other things made it a condition that no officer entering as a cadet could get beyond £200 a year until he had passed the Senior Civil Service or . . . other equivalent examination."[2] But the scholastic standard was not high; and, to make matters worse, the provisions of the act covered only permanent employees and winked at the presence of the "temporaries." The permanent officers reasonably felt aggrieved at an exemption granted to those who were "temporary" in name alone.[3]

A presage of future trends was the requirement that candidates for specified posts must possess advanced professional qualifications. Particularly was this the case in agencies which employed engineers. The Railways, the Public Works, and the Post and Telegraph departments could not risk muddling through with native common sense. We find as evidence that by 1913 the service contained 274 holders of degrees or diplomas. These were distributed as follows:[4]

TABLE 1. DEGREES HELD BY MEMBERS OF NEW ZEALAND PUBLIC SERVICES, 1913

B.A., M.A.	17
Law professional, LL.B., LL.M.	47
Accountants professional, B.Com., M.Com.	22
Engineering degrees and diplomas	136
B.Sc., M.Sc.	19
Miscellaneous	33

The engineers, it will be noticed, comprised one-half of the total—strikingly illustrating the impact of a technological age on a young colonial democracy. Other courses of university study found less favor in official eyes. Nor had public servants a strong incentive to seek higher education under the conditions then governing promotion. "Merit does not count as it should," complained the Hunt Commission. "The passing of the Senior Civil Service Examination is necessary for those who have come in as cadets if they wish to get more than £200 a year, but, except for this, the passing of examinations, either departmental or outside examinations, such as Solicitors' and Accountancy Examinations, do not carry weight and bring the promotion that might reasonably be expected."[5]

In-service training, likewise, had made only an embryonic start. Again the need was most felt in departments which rely on technicians. The Post and Telegraph and the Railways departments had been separately classified earlier than other agencies, the former in 1890, the latter in 1896.[6] Both had initiated their own training programs. For the most part, however, public servants were left to train themselves as best they might. The normal lot of the new recruit was to be immersed in a monotonous routine of

[1] The evils of patronage were somewhat mitigated by the circumstance that one party held power uninterruptedly for twenty-one years. There was no occasion for the "purges" by alternate parties which characterize a spoils system at its worst.

[2] *Report of the Hunt Commission on the Public Service*, 1912 (Parliamentary Paper, H.–34), p. 14.

[3] "The temporary hands, however, received their periodical increments of pay in the same way as those officers who joined as cadets, with this difference—that the temporary hands could be paid any salary that their work was considered to be worth, although they had passed no examinations whatever; whereas those officers who had entered as cadets and who had passed the Junior Civil Service Examination could not get beyond £200 a year." *Ibid.*

[4] This list, quoted with the Public Service Commissioner's permission, differs from that contained in the commissioner's report for 1933 (p. 12). Based on a fresh study conducted by the commissioner's office in 1938, it is more accurate and complete.

[5] *Op. cit.*, p. 16.

[6] See "Some Notes on the History of Classification of the Public Service in New Zealand" by F. B. Stephens, 1 *Journal of Public Administration* 61 (New Zealand, May, 1938).

dull minutiae—a process euphemistically known as "training on the job." Commentary on the prevailing system is contained in these authoritative words: "In some Departments no foresight appears to have been exercised by training cadets. The line of least resistance has often been to obtain temporary assistance, which in some way has gradually become permanent. This process of absorption is the most costly method that can be devised to recruit the staff of an expanding Department, and it is not possible to calculate the additional expense which has been thrown on Departments by unsatisfactory methods of the kind. There are three or four large Departments which have strenuously resisted this, with the result that their staffs consist almost entirely of men who have been trained from youth in the Departments themselves." [1] By 1912, in short, New Zealand had scarcely advanced beyond insuring that its engineers were adequately educated and trained. Three prerequisites of a general staff training program were lacking—freedom from political interference in appointments, a regularized plan of classification, and a central personnel agency to supervise staff. Such were a few administrative characteristics of a country whose social legislation had not undeservedly attracted world-wide attention.

The present personnel system dates back to 1912. The Liberal-Labour ministry, on the verge of collapse after the 1911 elections, appointed a Royal Commission to investigate the public service. By the time the report was presented, the Reform party had become the Government. Without delay the new ministry embodied the commission's recommendations in a Public Service Act of 1912. Through this act the three prerequisites were now provided. To administer the staff system a central agency was created. Its head, the Public Service Commissioner, was appointed for a seven-year term by the Governor-General in Council (i.e., on the advice of the ministry of the day) and was removable only for "misbehaviour or incompetence." [2] One of his principal duties, moreover, was to institute a uniform plan of classification and to regrade all positions every five years. These essentials continue in force today.

Not all departments, however, fell under the commissioner's jurisdiction. For employment purposes the Railways Department, now comprising nearly 22,000 employees, is a separate organization. Separate again are the Police Force (which is controlled by the central government) and the military establishments of the defense departments. The Post and Telegraph Department, with a personnel of 11,000, was subject to the commissioner until 1928 but has since become independent. All remaining agencies, now totaling forty-four, with their 10,000 employees form the commissioner's province. It is these which in New Zealand parlance constitute the public service.[3]

Education at Entrance

TO LAY down educational requirements and to institute training programs for the forty-four departments is a peculiarly complex problem. Consider the variations in size between Mental Hospitals with 1,500 employees, Public Works with its 1,000 odd, Transport with fifty members, or the Crown Law Office which does not even muster a roll of ten. In New Zealand, moreover, functions so diverse are undertaken by the state that the heterogeneity of the public service presents difficulties almost as intricate, though on a smaller scale, as the services of far larger countries. The Public Trust Office, the State Advances Corporation, the State Fire Insurance Office, the Primary Products Marketing Department, these and other *rarae aves* of the political science museum take their place alongside such

[1] *Report of the Public Service Commissioner*, 1913, p. 8.

[2] Public Service Act, 1912, section 10, subsection (1) (a).

[3] Collectively the departments which form the public service proper, together with the Railways, Post and Telegraph, Police, and Defence Forces, are called the public services. The term "civil service" is seldom used in New Zealand.

familiar species as Education, Labour, and Agriculture. Furthermore, the total of forty-four does not strictly correspond with administrative realities. "Department" may be but a compendious term for a loose federation of bureaus whose union, like the British Commonwealth of Nations, consists chiefly in their common allegiance to the Crown. To this category in past years fell the Department of Internal Affairs, that inevitable wastebasket which appears under similar titles in every governmental jurisdiction to absorb functions that can be fitted nowhere else.

During the quarter of a century from 1912 to 1938 the public service had time to develop along settled lines and achieve a character of its own. Of the five divisions into which the service is classified, only two, the clerical and professional, concern us here.[1] The vast majority of clerical employees are normally recruited between the ages of 17 and 21. This is a cardinal principle of the New Zealand service, from which some of its good and also some of its bad qualities derive. Recruitment under 21 is the rule; recruitment over 21 is the rare exception. To the professional division the same rule applies, but the proportion of exceptions is higher.

The normal age of recruitment necessarily determines the educational qualifications in demand. For both divisions, the minimum qualification is a pass in the Public Service Entrance Examination, whose standard corresponds to three years' work at a secondary school. Above this are rated other examinations in ascending order of preference:—the School-leaving Certificate, obtainable after four years of secondary school; the University Entrance Examination; the University Entrance Examination or School Certificate *and* a Higher Leaving Certificate; the University Entrance Scholarship Examination with credit; a portion of a degree or a pass in two or more subjects of a professional examination, all representing less than completion of a university or professional course. During the years 1937 and 1938 qualifications of new appointees to cadetships in the clerical and professional divisions were these.[2]

TABLE 2. EDUCATIONAL ACHIEVEMENTS OF JUNIOR APPOINTMENTS TO THE NEW ZEALAND CLERICAL AND PROFESSIONAL SERVICE, 1937 AND 1938

	1937	1938
Portion of degree or professional examination	51	13
University Scholarship Examination with credit	2	2
Higher Leaving Certificate	52	43
University Entrance	493	318
School Certificate	40	63
Public Service Entrance Examination		144
Total	638	583

In addition to these young recruits, university graduates and holders of professional diplomas are also admitted to the public service, their average age being well over twenty-one. For the decade 1928-1938 they totaled 451, of whom 280 were appointed since April, 1936.[3] Upon analysis, the important conclusion emerges that exactly two-thirds of the number were scientists holding degrees in physics, chemistry, agriculture, medicine, and kindred subjects. The increasing demand for technicians and specialists could only be met by appointing men who were not already in the public service while taking their degrees. Less than 100 out of the 451 held degrees in "cultural" or "liberal arts" subjects; the greater part of the graduate recruits were professional experts.

Part-time Students

EQUALLY significant conclusions emerge from the combined records of this group and of those who obtained their degree or

[1] The others are (1) the administrative division, composed of forty-six heads of departments and lying outside the commissioner's control; (2) the general division comprising principally technical and specialized officers not included in the professional division; (3) the educational division, containing all the teachers in the state schools.

[2] *Report of the Public Service Commissioner*, 1938, p. 11, and 1939, p. 23.

[3] *Ibid.*, 1938, p. 13.

diploma after entry to the service. A great majority of those appointed as cadets have reached no higher scholastic level than the University Entrance Examination but are anxious to carry their studies further. Consequently it is the well-accepted practice for public servants to seek a university degree or a professional diploma as part-time students, working in their department during the day and attending lectures in the evening. This habit has received enthusiastic support from successive commissioners. Indeed they have themselves injected a pecuniary stimulus by conferring on those who pass their examinations a special raise in salary known as a "double increment." [1] Desire for promotion into a higher class is yet another incentive for degree hunting. The clerical and professional divisions are subdivided into classes, each of which has its fixed minima and maxima for salaries. Before an officer can move from Class VII, the lowest, into Class VI, he must pass an efficiency test in the form of an examination conducted by the commissioner. But those who hold a degree or diploma can hurdle the barrier without taking the examination.

Such very material bait has landed an abnormal catch of degrees. Let the above table tell its own tale. It presents the grand total of all permanent officers with degrees, diplomas, or certificates obtained both before and after entry.

[1] It is fair to mention that a double increment for passing examinations can be granted only once to any individual. Public Service Regulation 205.

Covering a quarter of a century, these figures illustrate both the strength and weakness of the public service. They show the overwhelming predominance of men whose education is specialized and professional. In almost every year, each group of scientists, lawyers, and engineers outnumbers the arts graduates. Since the depression, too, there has been a rush toward the Accountancy Certificate and the Commerce degrees. This single class comprises just over one-third of the total in 1938 while the scientists and engineers together form another third.

TABLE 3. HOLDERS OF DEGREES IN THE PUBLIC SERVICES OF NEW ZEALAND, 1913 TO 1938

Degrees	1913	1918	1923	1928	1933	1938
B.A., M.A.	17	57	75	88	108	174
B.Sc., M.Sc., etc.	19	49	63	101	133	256
Law professional, LL.B., LL.M.	47	77	135	166	222	282
Accountants professional, B.Com., M.Com.	22	57	150	187	348	665
Engineering and surveying degrees	136	156	219	229	271	392
Miscellaneous	33	35	52	79	94	148
Total	274	431	694	850	1,176	1,917

The emphasis on professional education is largely the result of deliberate official policy. Successive commissioners complained of the shortage of specialists and sought to increase the supply. Inefficiency in handling accounts, for example, met with severe stricture from the Hunt Commission, and the lack of qualified accountants was a serious weakness of the service during the early years of the commissioner's regime.[2] It thus became an accepted policy to offer special concessions to those seeking a professional education. As early as 1914 the commissioner referred to the successful trial of a course of physics lectures held at Victoria Univer-

[2] *Report of the Public Service Commissioner*, 1916, p. 3. It may be noted that there are in New Zealand a Public Service Commissioner and two assistant commissioners. The latter also were appointed by the Governor-General for seven years, but were under the commissioner's control. Final authority in the Public Service Commissioner's Office has always been vested in the single commissioner, except for an interlude from August, 1936, to December, 1938, when two commissioners held office jointly.

sity College (Wellington) for engineers in the Post and Telegraph Department. Regulations were then issued to encourage the training of engineers in the Public Works Department. "Leave on half-pay will be granted to approved applicants during the college sessions, in order that they may take a two-years' course in engineering at Canterbury College, and the lecture fees and cost of books will be paid." [1] In 1921 a full program for engineers was adopted, combining a university education with thorough practical experience. "Hitherto the period of training for Professional Cadets in the Public Works Department has been four years. Recently it was decided that the period should be extended to six years, and that the training given during that time should consist of—(a) approximately one year in the office, engaged in drafting, etc.; (b) two years on actual engineering works; (c) two years in the field on survey or construction work; (d) one year's workshop training. Those cadets who cannot be stationed at Christchurch in accordance with the ordinary work of the Department will be granted the necessary leave to enable them to attend Canterbury College for two sessions, when they will be expected to take a complete course of engineering subjects." [2]

Throughout the twenties this policy was continued by extending similar opportunities to other specialized fields. By 1929 facilities were available for "the staffs of the various laboratories, Public Works civil-engineering and electrical-engineering cadets, and various professional positions in the Department of Agriculture and in other Departments." Yet more professions have been provided for since the depression. In 1935, for instance, New Zealanders were encouraged to study veterinary science for the Department of Agriculture. As the subject is not taught in New Zealand, it had been the practice to advertise for veterinarians in England and Australia. The government decided to award five scholarships of £100 per annum, tenable for four years at the University of Sydney, together with a traveling allowance. The scholarships could also be held by New Zealanders wishing to study in England, but no travel allowance was then granted.

More recently still a training plan has been inaugurated for valuers [appraisers], a profession previously neglected but indispensable for at least three departments—the State Advances Corporation, the Lands and Survey Department, and the Valuation Department itself. Thanks to the initiative of a new valuer-general, a postgraduate course in rural valuation and farm management was instituted at Canterbury Agricultural College. Officers selected from these agencies receive government scholarships for one year of full-time study. At the same time Auckland University College, where the architectural school is located, has introduced a companion course on urban valuation, though not on a scholarship basis. Valuers are now transferred to the Auckland branch of their department and allowed time during official hours for lectures and study.

Liberal Arts Graduates

So actively have Public Service Commissioners sponsored the professional man that they now find it embarrassing to utilize his confrere educated in liberal arts. A hint was dropped in 1933: "In the New Zealand Public Service there is ample provision for adequately dealing with University graduate applicants for professional or technical positions, but the position is not so clear-cut in regard to those positions which may be regarded as providing training for the administrative positions." [3] Five years later comes a plainer avowal: "While the Commissioners encourage officers in many ways to undertake university studies, there are comparatively few opportunities of admitting to the Public Service students who have secured what may be termed a 'cul-

[1] *Ibid.*, 1914, p. 36; the Engineering School of the New Zealand University is located at Canterbury University College, Christchurch.

[2] *Ibid.*, 1921, pp. 9–10.

[3] *Ibid.*, 1933, p. 4.

tural' degree. There are wide and varied careers open to the specialist degree-holder, as medicine, engineering, law, commerce and science; in fact, in some few of these we are short of recruits." [1]

Official testimony, therefore, confirms the disadvantages from which holders of nonprofessional degrees have suffered. No opportunities existed for even the best clerical officers to take a "cultural" degree full time; nor was it feasible, apparently, to fit an arts graduate into the administrative scheme of things. This ill-balanced policy was neither equitable nor wise. It concentrated on obtaining good technicians and paid little heed to the nonspecialized. It gave advantages to the best in certain groups which it denied to the best in others. Yet the tasks of general administration, of coordinating experts to achieve social values, require a broader outlook than a professional degree can impart. If full-time study was necessary for specialists, surely it was equally desirable for those who make use of their knowledge. Prevailing tradition, however, considered a part-time education adequate for arts subjects and glossed over the cramming and the physical and mental strain which that entails.

This tradition is an unfortunate consequence of the New Zealand conception of democracy. It has its roots in the colonial antagonism toward the principle of an administrative class on the British model. New Zealanders have condemned the mode of recruitment to this class as undemocratic, an attitude mirrored in the commissioner's reports: "Although there is provision under the Public Service Act for the Commissioner to make special appointments to the Public Service in particular cases of persons holding University degrees or other special qualifications, a cardinal feature of the New Zealand Public Service is promotion wherever practicable from within the Service and equal opportunity for all, merit, and merit alone, being the determining factor. The avenues of promotion are open to all officers who are qualified, and in this respect the New Zealand Public Service is more democratic than the English Civil Service, where all the higher positions are restricted to University-trained men." [2] The same theme is further elaborated: "New Zealand is essentially a democratic country, and no practice which might be inferred to give an undue advantage to those who can afford to continue full-time studies at a University is likely to meet with general approval. Due consideration must be given to the claims of those already in the Service, who in their spare time attend a University College and graduate therefrom." [3]

In its passion to be democratic, New Zealand bends over so far backward that it risks being undemocratic. Is it fair, ask the graduates, to exclude men from the service merely because they were not already members while they were taking their degrees? Should not the public service draw on all available sources of talent? Should it not also extend to its nonprofessional members the opportunity of full-time study? [4] In fact, in its reaction against the mother country, New Zealand has overlooked the merits of the administrative class. The charge that it is undemocratic to recruit the class principally from graduates is really a criticism of the underlying educational system, not of the method of recruitment per se. The remedy lies in equalizing opportunities of entrance to the universities, not in lowering the standard of entrance to the administrative class. This defect apart, the administrative class embodies sound principles: first, that there is a function of general administration; second, that a good university preparation for that function consists in subjects

[1] *Ibid.*, 1938, p. 13.

[2] *Ibid.*, 1930, p. 4. It is not true that in Britain "all the higher positions are restricted to University trained men." From 1923 to 1935 nearly one-third of the new appointees to the administrative class were promoted from the executive class. See Finer, *The British Civil Service* (1937), p. 76.

[3] *Report of the Public Service Commissioner*, 1933 p. 4.

[4] The position of women is yet another undemocratic feature of the public service. New Zealand, even though it is "essentially a democratic country," gives its women far less opportunity to reach high positions than Britain or the United States.

which "open, invigorate and enrich the mind"; third, that in-service training for administrative leadership must commence from the time of appointment.

Any suggestion that New Zealand imitate some aspects of the administrative class at once runs afoul of the strong antipathy to the British method of recruitment. Hostility against the one feature has colored the attitude toward the others. Let it be proposed in New Zealand that the function of general administration requires persons of advanced education who should constitute a separate division within the service and be trained early for their future responsibilities. Assuredly the public service associations will assail this insidious advocacy of a privileged class. Or intimate that a greater number of the best arts graduates could be absorbed with benefit to the service. Back will come the retort that they cannot be used, or that the interests of those who joined earlier must be safeguarded.

The contrast between the three systems of New Zealand, the United States, and Britain is instructive. Britain recruits from the best of its youth both at the school-leaving and at the university-leaving ages. Above the age of twenty-four only the professionally qualified can hope for admission. New Zealand, being more "democratic," pushes the time of recruitment down to the school-leaving age with relatively few exceptions and affirms that an advanced education can be satisfactorily completed with part-time study. The federal service of the United States, although it is similarly "democratic," does the opposite of New Zealand. Instead of lowering the normal age of recruitment, it raises it to the maximum possible.[1] Britain, moreover, ever since Macaulay's report, has favored for its administrative leaders a liberal education in arts or social sciences. New Zealand has announced its preference for professional and technical knowledge and has shied off the "cultural" degrees. The United States, though making New Zealand's mistake in the past, has lately welcomed the arts graduate by instituting examinations for junior civil service examiner, social science analyst, and junior technical assistant. Lastly, Britain has placed at the head of its service a small administrative class, whose function is that of general administration. No proper parallel to this body exists either in the United States or New Zealand.

An equally regrettable result of the New Zealand practice is its effect on the university itself. Using the irrefutable premise that a democratic university should be open to intellect, not to wealth, New Zealand erroneously concluded that anyone unable to afford full-time study must be permitted to take a degree part time. The wiser conclusion would have been to provide all who deserve it with the means for full-time study. Inevitably the preponderance of part-time students lowers the academic standard. Hence a continual tug between the university staff, who desire to raise the standard, and groups in the community seeking to lower it and thereby make the examinations safe for part timers. Among the most important of these pressure groups is the public service itself, whose influence with the government cannot be ignored by a state-supported university. Recently, however, New Zealanders themselves have come to question their own methods, and in 1938 a deputation of university graduates laid their complaints before the government.[2]

[1] "Widely divergent age limits exist in the United States, but in general the emphasis upon 'giving everyone a chance' pushes the limits to the point where they fail to serve their most useful purpose. In the national government, the normal age limit for other than scientific and professional positions is fifty-three, a year fixed in the light of the retirement act." L. D. White, *Introduction to the Study of Public Administration* (rev. ed., 1939), pp. 314–15.

[2] One of the complaints, that Rhodes scholars were not wanted in the service, had been touched on by the commissioner in 1933. "The standard of salaries in the New Zealand Public Service in comparison with that obtaining in commercial undertakings, the Teaching service, and in positions in other countries is very low. . . . This is evidenced by the fact that not one New Zealand Rhodes Scholar has been attracted to the New Zealand Public Service, although inquiries have been made from several as to whether they would be prepared to accept appointment." *Report of the Public Service Commissioner*, 1933, p. 5. Apparently the

As a result, the government appointed a Committee on University Graduates and the Public Service, composed of the Public Service Commissioner, the Solicitor-General, various heads of departments, and officers of the public service associations, together with the Vice-Chancellor of the university and other representatives of the university and the schools. The committee sat during 1939, but has not yet (October 1940) presented its report.

In-service Training

IN-SERVICE training, as distinct from education outside the service, received scant attention from the commissioners before 1939. They contented themselves with paying perfunctory lip service to its desirability. The Public Service Act of 1912, while it included sections on recruitment and examinations, overlooked the allied topic of training. The omission was partially rectified—on paper, at least—by regulations which the commissioner issued in 1913, of which Number 41 solemnly declared: "Cadets and junior officers are to be afforded every possible opportunity of gaining a complete knowledge of the Department in which they are employed, and are to be encouraged to learn the use of typewriters, adding-machines, and other office appliances, even if not actually engaged upon them in their daily work. They should not on any account be kept for a lengthened period in any one position or upon circumscribed duties, and if a change of duty is not available in a branch of a Department, arrangements must be made for a transfer to another branch of a Department. The progress of every cadet must be carefully watched." [1] Little was done, however, to translate the benign intention into positive fact—and for the simple reason that no one in the commissioner's office was specifically charged with the responsibility for training. Training was an area claimed by formal proclamation to lie under the commissioner's sovereignty. But a quarter of a century saw no sign of effective occupation.

In-service training, therefore, was relegated to the departments and varied according to the interest of each under secretary. The Customs Department, for instance, has attempted with considerable success to build a career service of its own, training its recruits by transfer from branch to branch. The Public Works Department gives its engineers thorough practical experience in varied types of construction. Recently, too, the Valuation Department instituted a comprehensive scheme of education and training, of which the scholarship course at Canterbury College forms only a part. Outside the public service, as narrowly defined, the Post and Telegraph Department carefully trains its technical employees. Departmental schools have been established under experienced officers to whose care a number of selected juniors are periodically transferred. In-service training has been particularly thorough in the Railways, necessarily so in a department on whose efficiency the lives of the traveling public depend. Besides formal instruction from senior officers, employees are given manuals of information on the activities of their respective branch; and to test their knowledge, examinations are conducted by the department.

A well-organized training program, meriting description, was inaugurated in the twenties by the Public Trust Office. This agency was among the earliest of New Zealand's experiments in state enterprise. The public trustee performs fiduciary services for private individuals. He is empowered to administer trust funds and to act as executor for wills deposited in his charge. Behind his administration stands the guarantee of the state. Essential to the personnel of this department is a knowledge of

commissioner was willing; but the Rhodes scholars were not. The commissioner, however, cannot offer a salary high enough to induce them to enter, since it would be resented by anyone already in the service who was getting less. It is "undemocratic" to give the Rhodes scholar a commencing salary which his education merits.

[1] Regulation No. 41, issued under authority of the Public Service Act, 1912. The reference to typewriters, etc., might suggest that the training of clerks, rather than of administrative leaders, was the object in view.

law, of valuation, of accountancy, and of financial administration in general. After the last war a program of training recruits was instituted, but it soon appeared that too great a burden was laid on officers already occupied with their regular duties. Consequently in 1926 the plan was developed into a full-fledged staff training school. "A capable administration officer with legal experience was appointed as Director to control the scheme and to give theoretical instruction. At the same time two instructors, one qualified in administration and the other in accountancy work, were appointed to undertake the instruction in practical work." [1] The school opened in February, 1926, with thirty young recruits who had seen one or two years of service. "It has been found that the best method of instruction," runs the official account, "is that which combines theoretical and practical training. . . . Under it each junior spends part of the day in theoretical work and the rest of his time on practical work. Under the present scheme two courses of lectures will be delivered each year, each course complete in itself and of about five months' duration. . . ." [2] Valuable results were obtained during the few years that the school lasted. Then came the depression. Partly because of the expense, partly because recruiting virtually ceased, the school was discontinued. Nor has it yet been resuscitated.

The Public Trust Office, and the handful of other agencies to which allusion has been made, should not be regarded as typical. In many departments no systematic attempt was made to train the tyros. The early years of a young public servant's career were normally devoted to monotonous routine,[3] a graveyard for his enthusiasm and initiative. Much of the blame lies with the department heads whose general apathy toward the need for training has been notorious. Some of the more conservative, remembering that they had received no formal training, were content to prolong into the future a system which had produced such men as themselves. Others rationalized the value of initiation by routine with the "democratic" argument that a future under secretary must climb every rung of the ladder, not omitting to start at the very lowest. Such attitudes accorded well with the accompanying belief that for nonprofessional studies a part-time education sufficed. A day devoted to office minutiae could be suitably terminated with an evening of cram. Harmonious wedlock of training by routine and education by rote!

To raise the laggard departments to the level of the progressive was one of the tasks which in 1939 confronted the recently appointed commissioner. His report admitted that the policy previously followed had not struck a happy balance between education and training. "The sucessive Public Service Commissioners have always encouraged officers to improve their educational standard, and this will continue. However, it is felt that the swing to academic achievement has been excessive and that more emphasis can and should be given to the need for study of the immediate tasks that concern an officer." [4] The principle was announced that "the training of every entrant to the Public Service will be supervised from this Office"; and, in order to give the principle some effect, a senior officer was designated by the commissioner to be superintendent of staff training. The creation of this post, an entirely new one, signified the abandonment of the former laissez faire. All staff training programs are now under general direction from a central office; the more apathetic among department heads

[1] *Report of the Public Trustee*, 1926 (Parliamentary Paper, B.–9), p. 23.

[2] *Ibid.*

[3] This complaint has been voiced to the writer by many public servants. It is expressed also in a pungent article by B. D. A. Greig, a member of the public service, on "Testing and Selection of Staff." He refers to the "deadening effect of the long period of dreary and uninteresting routine work that most clerical officers pass through in their early years." 1 *Journal of Public Administration* 85 (New Zealand, Dec. 1938).

[4] *Report of the Public Service Commissioner*, 1939, p. 10.

can be reached and stimulated. Each new recruit will be under continuous observation and will be watched for any talent he displays. The ablest will be earmarked for promotion, the incompetent weeded out, the misfits transferred.

An organization has now been created to operate a comprehensive training scheme.[1] In all the departments under the commissioner's jurisdiction the superintendent has selected someone of suitable personality and experience to act as departmental personnel officer. Each supervises the training in his own department and acts as a liaison officer between the department and the commissioner's office. Fifty-six personnel officers in all have been chosen for the forty-four agencies.[2] Once a month they meet for joint discussion with the superintendent and hear lectures on aspects of training. Within this group an advisory council of six has been chosen by the superintendent to assist him.

The plan formulated by the superintendent and his band of personnel officers is an ingenious one. For the purposes of training, thirty-eight of the forty-four departments are divided into seven groups. The composition of each is based on two principles. First, the group must be large enough to provide varied administrative experience and offer an attractive career; second, it must comprise departments whose functions are allied. Within each group the department which is largest and most highly developed in internal organization aids its associates in training their small staffs. This one is known as the "parent" department. In the group concerned with land problems, for example, the "parent" is the Lands and Survey Department; and such smaller bodies as the State Forest Service, the Native Department, and the Valuation Department are its adopted children. Among those which administer social services, the Social Security Department acts as "parent" toward the departments of Health, Education, and Mental Hospitals. Three agencies are segregated from the rest to form one-member groups of their own. They are the Public Trust Office, the Customs Department, and the Land and Income Tax Department. Besides being sufficiently big to handle their own training requirements, they conduct work of a highly specialized nature. One other variation of the general plan needs to be mentioned. For training newcomers to the Treasury, the Audit Department, and the Public Service Commissioner's Office, a "special" group has been constituted out of these three control agencies and all seven "parent" departments. In addition to assisting the subsidiaries in their own groups, the "parents" will help to train recruits of the control departments. Reciprocally, the latter will aid the "parents."

Each group has a training program worked out to meet its particular needs. The basic purpose is to give trainees wide experience in the different branches of their own department and in other departments whose functions are akin. For a recruit entering at the age of seventeen or eighteen the complete scheme will last for a period of seven to ten years, according to the group in which he is placed. Only the most promising, it should be noted, will be trained for the full period. The mediocrities will be sifted out at earlier stages. Consider the scheme, already approved, for training a recruit on the administrative side of the Public Works Department. Appointed at the age of seventeen or eighteen, he would pass his first year in the records division of the head or a district office. The next five years he spends in a district office, the first in the stores branch, the second and third on accounts, and the fourth and fifth in a camp at the site of a public works project. Brought to Wellington at the age of twenty-three or twenty-four, he has a year and a

[1] For the information in the account that follows I am indebted to the superintendent of staff training, Mr. S. T. Barnett. Any opinions are expressed on my sole responsibility.

[2] The number "fifty-six" is explained by the appointment of two officers in various "dual" departments: e.g., in the Public Works Department there is one for the administrative, one for the engineering, staff.

half in an administrative section of the head office, and another year in the legal and legislation branch. Then he receives a special three months' course in the Treasury, three months in the staff division of his own department, and a similar period in the Public Service Commissioner's Office. Finally he emerges at the end of ten years, trained, tested, and approved.

As it appears on paper, the scheme is carefully designed. It will develop the abilities of new recruits by diversified practical experience under intelligent supervision. In its operation, it will depend for success not only on the superintendent himself but also on the departmental personnel officers whose cooperation is indispensable. To maintain their energy and interest, to stimulate their competition while welding them in harmony, these will be the tasks of the superintendent. Assuredly the plan does not lack in thoroughness. Some might even consider it too lengthy. But the public service is already twenty-seven years behindhand and must make up for its slow start.

Study of Public Administration

BESIDES in-service training, another recent development is the study of political science and public administration. The governmental crises of the depression and the subsequent expansion of state activity provoked an interest in administration among younger members of the service. With the encouragement of some progressive senior officers local groups were formed, at Christchurch first, then at Wellington and the other centers. Eventually all combined into a New Zealand Institute of Public Administration, designed on the lines of its British namesake. The new movement received generous support from the government, which granted the institute the means for publishing a journal. Further aid from the government in 1938 enabled the University of New Zealand to establish a Political Science Department at Victoria University College. Hitherto, political science, though included in the university syllabus, had been confined to a one-year course in the B.A. degree and was taught, if at all, as an adjunct of history, philosophy, or law. The university had desired for some time to develop the teaching of this subject, and the Public Service Commissioner also had expressed the wish that public administration be added to the academic curricula.[1] During 1939, when the new department was inaugurated, the university and the public service cooperated in a series of weekly lectures on public administration. The heads of six departments and various senior officers participated with lectures on their own agencies; while from the university the staffs of the economics, history, and political science departments all contributed.

This series was the curtain raiser to a new course for a Diploma in Public Administration, adopted by Victoria College in 1939 and designed for study of social sciences and in particular of public administration. Modeled on similar courses at British and American universities, the syllabus is intended not as a specialized instruction in administrative technique but as a liberal education in the problems of modern government. It follows the school of thought represented by the Diploma in Public Administration granted by the London School of Economics and Political Science rather than that typified in the Syracuse School of Citizenship and Public Affairs. For a small isolated country such as New Zealand comparative methods in political studies are particularly necessary. The narrow confines of the Dominion's practical experience and her limited contacts with countries other than Britain require the compensation of a broader philosophical view.

Before candidates commence the Diploma course, they must qualify by taking five prerequisite subjects in the B.A. or LL.B. courses. Three subjects are compulsory:

[1] *Report of the Public Service Commissioner*, 1933, p. 10.

constitutional law, economics, and political theory. The other two may be selected from the following: history, philosophy, English, or anthropology. All these were made prerequisites, and not part of the Diploma syllabus, in order to omit from the Diploma as far as possible those subjects which could be studied for the ordinary degree. Otherwise students might cover most of the Diploma work in their degree, and might then obtain the Diploma by merely adding a few more subjects—a practice which has ruined other Diplomas in New Zealand (e.g., a now defunct Diploma in Social Science). The Diploma course proper comprises in the first year comparative political institutions (two papers), government of New Zealand, public finance, public economics, social and economic history of New Zealand, and modern economic history of Britain (one paper each). Subjects of the second year are comparative public administration and public administration in New Zealand (two papers each), and administrative law (one paper). At the end of each year an examination is held on the subjects taken during the year.

For a course that includes so much it is essential that the students come full time. Equally essential, if a high standard be maintained, is to limit the numbers that are admitted. Were admission to the course unrestricted, many who now seek the Accountancy Certificate to gain their double increment or promotion would flock to the Diploma as an alternative. Classes would be swamped with part timers, and the small teaching staff could not possibly give the individual tuition in seminars and tutorials which is integral to the scheme. The principle of full-time study, however, could equitably be established only on the basis of open competitive scholarships. In 1940, as a result of the combined efforts of the Public Service Commissioner and the university, the government established a number of Public Service Administration Scholarships, for which any member of the public services is eligible. Tenable for two university sessions of seven months each, the scholarships are awarded for combined academic and administrative talent. Over one hundred and ten applicants competed, of whom nine were selected to join the course in April, 1940. The successful scholars, who are all married men, receive £170 for each session, and during the intervening long vacation resume their departmental work at their normal salaries. All nine, it may be added, have accepted a financial sacrifice in seeking the Diploma. In age they vary from twenty-five to thirty-eight, the average being thirty-one. This high average will drop after the course has been established awhile. Among those selected for scholarships at the beginning are some who would have been chosen a few years ago had the course been established then. They are selected from a variety of departments: two from Railways, Industries and Commerce, and Customs, and one from Land and Income Tax, Post and Telegraph, and Public Trust. Seven are graduates who already possess degrees in arts, law, or commerce; the remaining two are qualified accountants. Their appointment indicates that for the first time in New Zealand the educational facilities enjoyed by professional officers are extended to the nonprofessional. Progressively the general administrator of the future will be educated as thoroughly as his technicians.

Recent years have thus witnessed the acceptance of two new principles, each a corrective of former defects. A centrally supervised plan of in-service training and full-time education for administrative leadership have both been inaugurated. The one is complementary to the other. A thorough system of training on the job must be balanced by an advanced university education for those who will ultimately head the administrative hierarchy. Likewise, the Diploma course by itself cannot produce administrators. It can widen a circumscribed outlook; it can stimulate critical and ana-

lytical faculties; it can impart an appreciation of the social purposes which administrative mechanisms serve. But the administrator must also possess qualities of character and a fund of experience which the university alone cannot provide. Functioning separately, either scheme would lack counterpoise. Dovetailed together, the two may promote a rounded development. A comprehensive plan for the education and training of public personnel is an indispensable form of social insurance.

Professional Personnel in the Federal Government

By LEWIS B. SIMS

Assistant Chief Statistician, Division of State and Local Government, Bureau of the Census

PROFESSIONAL men and women are carrying a much heavier load in the federal government than most students of public administration probably realize. These professional employees—engineers, foresters, economists, attorneys, agronomists, chemists, biologists and many others—are unsung heroes both in Washington and in the field. As a group, they received little attention from American students of public administration until two years ago when by Executive Order 8044 President Roosevelt appointed the President's Committee on Civil Service Improvement, popularly known as the Reed Committee.[1]

For the Reed Committee the author made a detailed study of all professional personnel of all types appointed to junior level ($2,000) positions in the federal service during the period January, 1935, through March, 1939. Both competitive and noncompetitive methods of appointment were considered, and both Washington and field employees were included. Thus it is neither a partial nor a representative sample investigation, but a census type inquiry embracing all appointments on the junior professional level.[2]

The junior, or $2,000, grade was selected for intensive study because in any true career system most new appointments will ordinarily be made at the lowest level. In the professional service of the federal government this level is the junior (P-1) grade, the salary bracket of which is $2,000-$2,599.[3] Each appointment is an initial, or original, appointment.

For junior professional positions the Civil Service Commission requires graduation from a recognized college or university. This study is therefore restricted to degree holders. Outside the competitive service, however, professional positions at $2,000 are sometimes filled by persons who are neither college nor law school graduates[4] with the result that, presumably, the complete noncompetitive showing would

[1] The committee comprised Mr. Justice Stanley Reed, chairman, Mr. Justice Frankfurter, Mr. Justice Murphy, Attorney General Jackson, William H. McReynolds, Leonard D. White, General Robert E. Wood, and Mr. Gano Dunn. A report is available from the Superintendent of Documents; three volumes of research reports will be published shortly.

[2] Not included are the fifty-nine noncompetitive appointees of the Department of Justice, the Civilian Conservation Corps, the Home Owners' Loan Corporation, and the Civil Aeronautics Authority. The only other omission worth mentioning is the group of junior veterinarians (776 in all); they were appointed to the Department of Agriculture, some within and some outside civil service. In this paper the term "competitive" refers to the federal competitive classified service, appointment to which is normally based on open competitive examination given by the U. S. Civil Service Commission under the Civil Service Act of 1883; "noncompetitive" refers to the remainder of the service, appointments to which are normally made at the discretion of the appointing officer.

[3] Recently a number of appointments—not considered in this study, of course—have been made from junior professional registers at less than $2,000, usually $1,620, the appointee having previously signified his willingness to accept the lower salary. Cf. "Political Science and Federal Employment," 35 *American Political Science Review* 304 (1941).

[4] For noncompetitive appointees the form and accompanying instructions on which this study was based called for the submission of the names of only those junior professional appointees who were college or law school graduates, i.e., holders of either an academic degree (usually A.B. or B.S.) or a law degree (usually LL.B.).

be somewhat less favorable than that presented in this article.

Distribution by Professions

PRECISELY what types of professional personnel are under consideration is disclosed by Table 1, which shows the distribution, by professions, of the 5,190 junior professional appointees initially inducted into the federal service in the period covered. It will be observed that the engineers account for almost two-fifths of all appointees. Attorneys constitute a rather small proportion because young lawyers often find their first federal employment opportunities in the $2,600 (P-2) and $3,200 (P-3) grades.

Table 1. JUNIOR PROFESSIONAL APPOINTEES IN THE FEDERAL SERVICE BY POSITION TITLE, JANUARY 1935–MARCH 1939

Title of Position	Total	Competitive	Noncompetitive
Jr. Engineer	1999	678	1321
Jr. Forester	725	637	88
Jr. Soil Specialist	690	241	449
Jr. Social Scientist	423	169	254
Jr. Attorney	369	2	367
Jr. Physical Scientist	226	166	60
Jr. Biological Scientist	189	122	67
Jr. Range Examiner	182	147	35
Jr. Patent Examiner	160	160	—
Jr. Architect	94	3	91
All other	133	96	37
Total	5190	2421	2769

Fewer persons received their appointments through competitive civil service examinations than through the noncompetitive methods of selection, because these were still years of recovery in the business cycle, affected by the "emergency" program of spending and of social reform. More specifically, it was the appointment of engineers chiefly and of soil specialists and social scientists to a lesser extent that caused the noncompetitive total to be so large. The huge program undertaken by the Public Works Administration in the summer and fall of 1938, following the recession of 1937, involved the recruitment by noncompetitive selection of a large number of engineers for work in the examining division of P.W.A.

Patent examiners are employed exclusively in the Patent Office, an agency entirely within the merit system. This fact accounts for the complete lack of appointments made without formal, competitive examinations. Foresters and range examiners likewise are ordinarily selected from civil service registers. Attorneys constitute the best example of the opposite situation; during the period covered by this study, most attorneys—and, in practice, almost all junior attorneys—in the federal government were exempted from examination.

The Federal Agencies

FROM Table 2 we can ascertain which federal departments and establishments appointed the largest proportion of professional personnel. In the case of both competitive and noncompetitive appointees, the Department of Agriculture was distinctly dominant. In fact, as will be seen from Table 2, the Department of Agriculture accounted for more competitive appointments than all the other departments and independent establishments combined. The departments of Commerce and Interior were next in importance with regard to this group of appointees. The Department of the Interior was important also in the noncompetitive group, while P.W.A. replaced the Department of Commerce in importance in the noncompetitive group.

The high proportion of professional personnel entering the Department of Agriculture is explained principally on two grounds: (1) in number of employees the Department of Agriculture is the largest of the executive departments or independent establishments in the federal government, other than the Post Office; (2) the proportion of professional work to clerical work in the Department of Agriculture is very high. The Soil Conservation Service and the Forest Service, in Agriculture, are the two largest bureaus recruiting junior professional personnel. A perusal of the titles of the junior professional registers established by

the United States Civil Service Commission will indicate the strikingly large proportion of agricultural as compared with nonagricultural registers. Some of the registers from which the largest number of junior professional appointments have been taken are the following: junior forester, junior range examiner, junior soil technologist, junior agronomist, junior soil surveyor, junior agricultural statistician, junior biologist, and junior soil scientist. Outside the competitive system the Department of Agriculture is numerically important in this study chiefly because of the Soil Conservation Service.

TABLE 2. JUNIOR PROFESSIONAL APPOINTMENTS TO THE FEDERAL GOVERNMENT BY DEPARTMENTS AND AGENCIES, JANUARY 1935–MARCH 1939

Department or Agency	Total	Competitive	Noncompetitive
Agriculture	2508	1356	1152
Interior	716	266	450
Public Works Administration	450	—	450
Commerce	334	287	47
War	233	164	69
Navy	227	197	30
Securities and Exchange Commission	129	35	94
Treasury	120	29	91
Works Progress Administration	75	—	75
Tennessee Valley Authority	83	9	74
National Labor Relations Board	38	1	37
National Resources Committee	35	—	35
National Archives	33	—	33
Rural Electrification Administration	30	—	30
Labor	29	16	13
Social Security Board	29	9	20
Railroad Retirement Board	19	12	7
Federal Housing Administration	14	—	14
Federal Trade Commission	14	—	14
Federal Power Commission	12	12	—
Justice	11[a]	11	—
All other	51	17	34
Total	5190	2421	2769

[a] Noncompetitive appointments not included.

Academic Sources of Personnel

THE universities and colleges throughout the country that have been supplying the government with junior professional personnel do not, on the whole, include the most prominent private educational institutions. Princeton, for example, is tied for 101st place on the list; the University of Chicago is tied for 45th; Yale is 43rd, preceded immediately by Clemson Agricultural College.

The principal explanation for this phenomenon is that the large private universities do not offer training in the fields of agriculture, forestry, and engineering. Large state universities that are also land-grant colleges tend, however, to be important sources of federal personnel. Thus the University of California (Berkeley) and the University of Minnesota are tied for first on the list, while Iowa State College, University of Illinois, Pennsylvania State College, University of Michigan, and Oregon State College follow in that order. The colleges and universities from which fifty or more graduates have entered junior professional positions are listed in Table 3 in order of the number of such graduates.

Certain universities maintaining law schools also tend to be important; for example, Georgetown University with 27 appointees is important because of the 22 attorneys that it has supplied the federal government. Likewise, certain technical schools are important, the leading technical institution for our purpose being Massachusetts Institute of Technology with 71 appointees. The importance of Syracuse lies chiefly in the fact that 66 of its 89 appointees are foresters, from the New York State College of Forestry located at this university.

It follows from what has been said above that many of the appointees are from the western colleges. Thus almost as many appointees have come from institutions west of the Mississippi River (44 per cent) as have come from those east of the Mississippi (56 per cent). When the number of these appointees is compared with the total popu-

TABLE 3. APPOINTMENTS TO JUNIOR PROFESSIONAL POSITIONS IN THE FEDERAL GOVERNMENT BY UNIVERSITIES FROM WHICH FIFTY OR MORE APPOINTEES GRADUATED,[a] JANUARY 1935–MARCH 1939

Name of College or University	Total	Competitive	Noncompetitive
California, University of, Berkeley	170	117	53
Minnesota, University of	170	108	62
Iowa State College of A. & M. Arts	145	58	87
Illinois, University of	122	30	92
Pennsylvania State College	120	64	56
Michigan, University of	114	64	50
Oregon State College	110	87	23
Washington, University of	102	84	18
New York, College of the City of,	101	96	5
Cornell University	95	40	55
Utah State Agricultural College	90	55	35
Syracuse University[b]	89	79	10
Idaho, University of	88	67	21
Colorado State College of A. & M. Arts.	86	53	33
Wisconsin, University of	82	20	62
Purdue University	78	33	45
Oklahoma A. & M. College	75	42	33
Ohio State University	73	15	58
Kansas State College of A. & A. S.	71	39	32
Massachusetts Institute of Technology.	71	40	31
Nebraska, University of	71	35	36
A. & M. College of Texas	70	17	53
Michigan State College of A. & A. S.	66	47	19
Colorado, University of	64	21	43
Washington, State College of	61	39	22
Missouri, University of	60	13	47
Harvard University	59	10	49
Georgia School of Technology	56	14	42
George Washington University	55	9	46
Mississippi State College	54	13	41

[a] "Graduated" refers to completion of undergraduate work only, except for attorney appointees, in which cases "graduated" refers to completion of the legal education.
[b] Includes also New York State College of Forestry at Syracuse University.

lation in the two parts of the country, the ratio of western educated appointees is found to be high. The western population per federal appointee from the western institutions is 17,500, while the eastern population per federal appointee from eastern institutions is 30,600.[1]

The number of federal appointees that have come from universities located in the various states is shown in Figure 1.[2] It will be observed that the leading state is New York, with something over 10 per cent of the total number of recruits, followed by Pennsylvania with approximately 7 per cent and California with 5 per cent. The small number from the District of Columbia, in spite of the great amount of post-entry education being received at local universities, is explained by the fact that the only appointments included in this study are initial (original) appointments. Three-fifths of the District's total represent appointments to positions in the field of law.

Three professional groups illustrate the variations in academic sources of professional personnel—attorneys, engineers, and social scientists.

Table 4 shows, in the order of magnitude, the law schools from which the 367 noncompetitive junior attorneys graduated.[3] Harvard is outstanding with 40, followed by George Washington, Columbia, and Georgetown.[4] Although the young lawyers come almost exclusively from law schools approved by the American Bar Association, no particular preference is evidenced for specific schools. One-fifth of all attorneys recruited have come from law schools located in the District of Columbia; next in order of magnitude are the states of Massachusetts and New York, each having somewhat more than half as many as the District of Columbia. Approximately 87 per cent of the 367 attorneys obtained their law degrees from schools east of the Mississippi River. This heavy concentration of attorney appointments is much different from the pattern of all university appointments, 56 per cent of which were from eastern institutions.

[1] Population estimates for July 1, 1938, show 89,951,940 in states east of the Mississippi River and 39,871,260 in states west of the Mississippi.

[2] Note that this analysis has no relation whatever to home or legal residence but only to the state where the education was acquired. For example, a resident of Omaha graduating from Yale is classified as coming, not from Nebraska, but from Connecticut.

[3] There were 2 junior attorneys appointed through the competitive system, both to the Federal Communications Commission.

[4] The Department of Justice, not included in the figures given, shows an extremely wide range of sources of legal talent, 33 law schools being represented for 52 appointees. Fordham and Harvard are tied for first place with 5 appointments each.

TABLE 4. APPOINTMENTS TO JUNIOR ATTORNEY POSITIONS IN THE FEDERAL GOVERNMENT BY NAME OF LAW SCHOOL FROM WHICH APPOINTEES GRADUATED, JANUARY 1935–MARCH 1939[a]

Harvard University	40
George Washington University	28
Columbia University	25
Georgetown University	22
Northwestern University	17
Yale University	14
Michigan, University of	12
Virginia, University of	12
Alabama, University of	10
Chicago, University of	10
National University	10
Ohio State University	9
Pennsylvania, University of	9
California, University of, Berkeley	8[b]
Cumberland University	6
Florida, University of	5
Indiana University	5
Pittsburgh, University of	5
Washington College of Law	5
All other	115
Total	367

[a] "Graduated" refers to completion of the legal education.

[b] From the School of Jurisprudence, 7; from Hastings College of the Law, 1.

The engineers come from schools in every state of the Union. Table 5 shows, by order of magnitude, the leading institutions from which the 1999 junior engineer appointees graduated. The College of the City of New York is unrivaled for first place. Attention should be called to the fact that practically all of City College's engineer appointees have come into the government through the competitive system, whereas in the case of each of the next four institutions most of the engineer appointees were recruited outside the merit system. The explanation is that at City College the engineering students are very conscious of the opportunities in government work.[1]

Social scientists in the federal government are primarily economists, social service researchers, and statisticians, although a few are sociologists and a few belong to the growing profession of administrative analysis.[2] Table 6 shows, in order of magnitude, the leading universities from which the 423

[1] Precisely the same comment is true of the patent examiners.

TABLE 5. APPOINTMENTS TO JUNIOR ENGINEER POSITIONS IN THE FEDERAL GOVERNMENT BY NAME OF INSTITUTION FROM WHICH APPOINTEES GRADUATED, JANUARY 1935–MARCH 1939[a]

Name of College or University	Total	Competitive	Noncompetitive
New York, College of the City of	71	68	3
Colorado, University of	54	15	39
Illinois, University of	54	9	45
Minnesota, University of	54	21	33
California, University of, Berkeley	53	24	29
Massachusetts Institute of Technology	52	29	23
Iowa State College of A. & M. Arts	50	3	47
Georgia School of Technology	49	9	40
Purdue University	41	12	29
Armour Institute of Technology	39	14	25
Wisconsin, University of	34	5	29
Rensselaer Polytechnic Institute	33	20	13
Kansas State College of A. & A. S.	32	10	22
Michigan, University of	31	13	18
Washington, University of	30	20	10
Missouri, University of	28	7	21
Nebraska, University of	28	7	21
Ohio State University	28	3	25
Pennsylvania State College	27	7	20
Oregon State College	26	15	11
A. & M. College of Texas	26	4	22
Utah State Agricultural College	25	7	18
Cooper Union	24	23	1
Maryland, University of	24	7	17
Idaho, University of	23	7	16
Webb Institute of Naval Architecture	23	21	2
Arizona, University of	22	3	19
Marquette University	22	4	18
Cornell University	21	2	19
California Institute of Technology	20	13	7
Carnegie Institute of Technology	20	15	5
Maine, University of	20	2	18
All other	915	259	656
Total	1999	678	1321

[a] "Graduated" refers to completion of undergraduate work only.

[2] Administrative technicians and analysts are often not classified by the Civil Service Commission as professional (P-1, P-2, etc.) but rather as clerical (CAF-5, CAF-6, etc.). The author questions the advisability of the present practice and recommends that "administrative research," which is not the same as "administration," be uniformly accorded professional recognition.

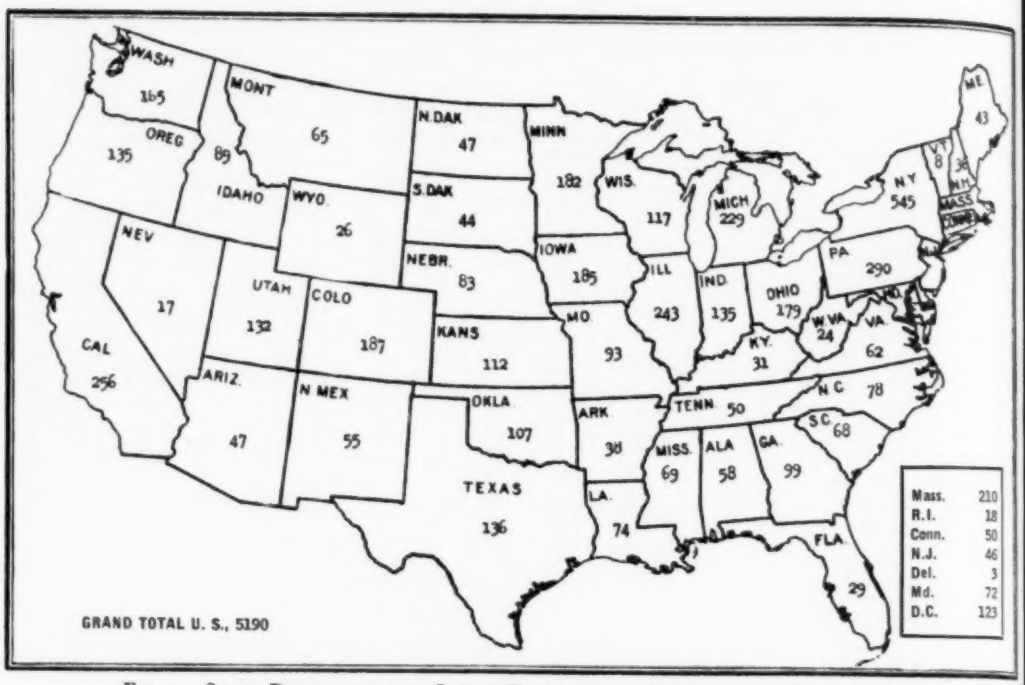

FIG. 1. STATE DISTRIBUTION OF JUNIOR PROFESSIONAL APPOINTEES BY LOCATION OF INSTITUTION FROM WHICH APPOINTEES GRADUATED
(Based upon Table 3)

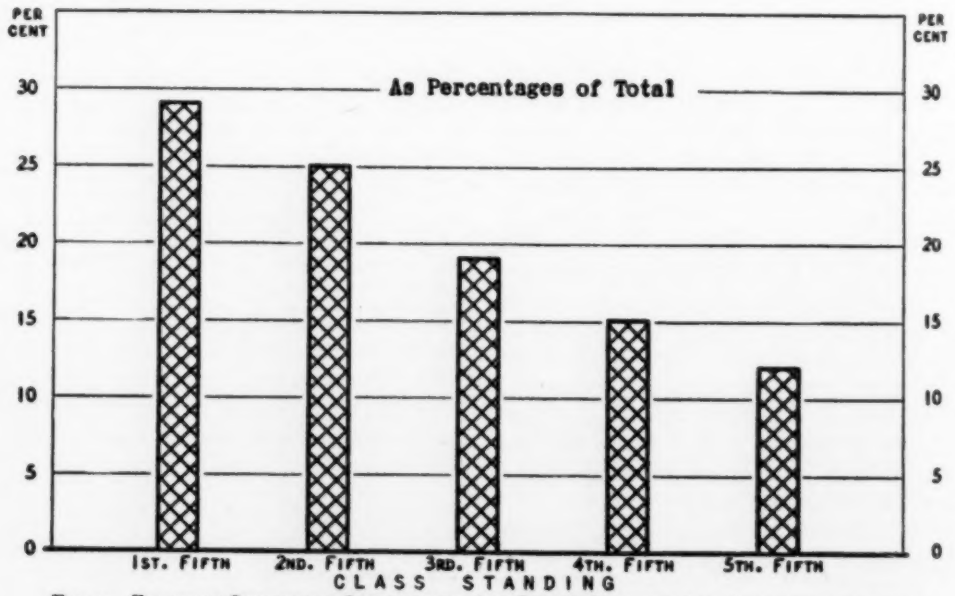

FIG. 2. RELATIVE SCHOLASTIC STANDING OF ALL JUNIOR PROFESSIONAL APPOINTEES TO THE FEDERAL GOVERNMENT, JANUARY 1935—MARCH 1939
(Based upon Table 7)

social scientists were graduated, a total of 166 universities being represented. Since these 423 appointees came from as many as 166 institutions, there is a more diffused recruiting in the case of the social scientists than in the case of the attorneys—2.5 social scientists and 4.7 attorneys per institution. Still greater diffusion is found for the physical and biological scientists but much less for the foresters. Whereas there are 13 states whose institutions supplied no attorney appointees, there are only 4 states whose institutions supplied no social scientists. Eastern institutions tend to be the chief sources for government social scientists, but not to the same extent as for the attorneys.

TABLE 6. APPOINTMENTS TO JUNIOR SOCIAL SCIENTIST POSITIONS IN THE FEDERAL GOVERNMENT BY NAME OF INSTITUTION FROM WHICH APPOINTEES GRADUATED, JANUARY 1935—MARCH 1939[a]

Name of College or University	Total	Competitive	Noncompetitive
California, University of, Berkeley	14	6	8
Illinois, University of	14	5	9
New York University	13	4	9
Chicago, University of	12	3	9
Cornell University	12	2	10
Missouri, University of	11	5	6
Wisconsin, University of	11	6	5
Ohio State University	8	4	4
Harvard University	7	4	3
Brooklyn College	6	4	2
Brown University	6	5	1
George Washington University	6	–	6
Minnesota, University of	6	4	2
Nebraska, University of	6	6	–
Pennsylvania, University of	6	–	6
Purdue University	6	4	2
Columbia University	5	1	4
Dartmouth College	5	3	2
Mississippi State College	5	2	3
New York, College of the City of	5	4	1
Pittsburgh, University of	5	1	4
South Dakota State College of A. & M. Arts	5	1	4
Vassar College	5	5	–
West Virginia University	5	2	3
All other	239	88	151
Total	423	169	254

[a] "Graduated" refers to completion of undergraduate work only.

Scholarship of Personnel

IT IS of interest to know the origin of the government's professional personnel, but there is something more. What of the quality of that personnel? There are numerous factors making for quality, but this study is specifically restricted to the factor of scholarship, as indicated by the most *nearly* reliable type of data available, namely, the record made in university or college work.[1]

Contrary to the current notion, the federal government is securing as junior level employees in the professional field men and women who rank high in scholarship. Thus, 29 per cent of the junior professional employees appointed from January, 1935, through March, 1939, stood in the top fifth of their respective graduating classes in the universities, whereas only 12 per cent stood in the bottom fifth. Moreover, the curve from the top fifth to the bottom fifth is consistently downward, as is shown in Table 7 and Figure 2.

Table 7. RELATIVE SCHOLASTIC STANDING OF JUNIOR PROFESSIONAL APPOINTEES TO THE FEDERAL GOVERNMENT, JANUARY 1935—MARCH 1939[a]

Fifth	Number	Percentage
1st	1256	29
2d	1082	25
3rd	829	19
4th	658	15
5th	542	12
Total	4367	100

[a] Both competitive and noncompetitive appointees are included.

To the extent that scholarship is important, this study also throws light on the controversial question whether the competitive system recruits better professional employees than does noncompetitive selection. The results of this study show that junior

[1] Although college marks are not conclusive evidence, they do nevertheless tend to suggest scholarship. The case of the slow-witted "grind" who makes high grades and the case of the "brilliant" fellow who makes low grades must be put down as exceptions. The scholastic statistics were obtained from collegiate registrars.

TABLE 8. RELATIVE SCHOLASTIC STANDING OF JUNIOR PROFESSIONAL APPOINTEES TO THE FEDERAL GOVERNMENT THROUGH THE COMPETITIVE SYSTEM AND THE NONCOMPETITIVE SYSTEM, JANUARY 1935–MARCH 1939

Fifth	Total	Number		Percentage		
		Competitive	Noncompetitive	Total	Competitive	Noncompetitive
1st	1256	736	520	29	35	23
2d	1082	547	535	25	26	24
3rd	829	351	478	19	16	21
4th	658	279	379	15	13	17
5th	542	207	335	12	10	15
Total	4367	2120	2247	100	100	100

professional employees appointed through the competitive system are better scholastically than those appointed outside of the system. Thus, 35 per cent of the competitive appointees stood in the top fifth as contrasted with only 23 per cent of the noncompetitive appointees. Looking at the other end of the scale, only 10 per cent of the competitive appointees were found to be in the bottom fifth as contrasted with 15 per cent of the noncompetitive appointees. This is shown clearly by Table 8 and Figure 3.

These results may be cause for gratification on the part of the Civil Service Commission, because—again, to the extent that scholarship is an important factor—it can now be said that at the junior professional level the commission is, on the whole, doing a better job than is being done generally by the agencies operating without benefit of the commission. On the other hand, it may well be argued that even the Civil Service

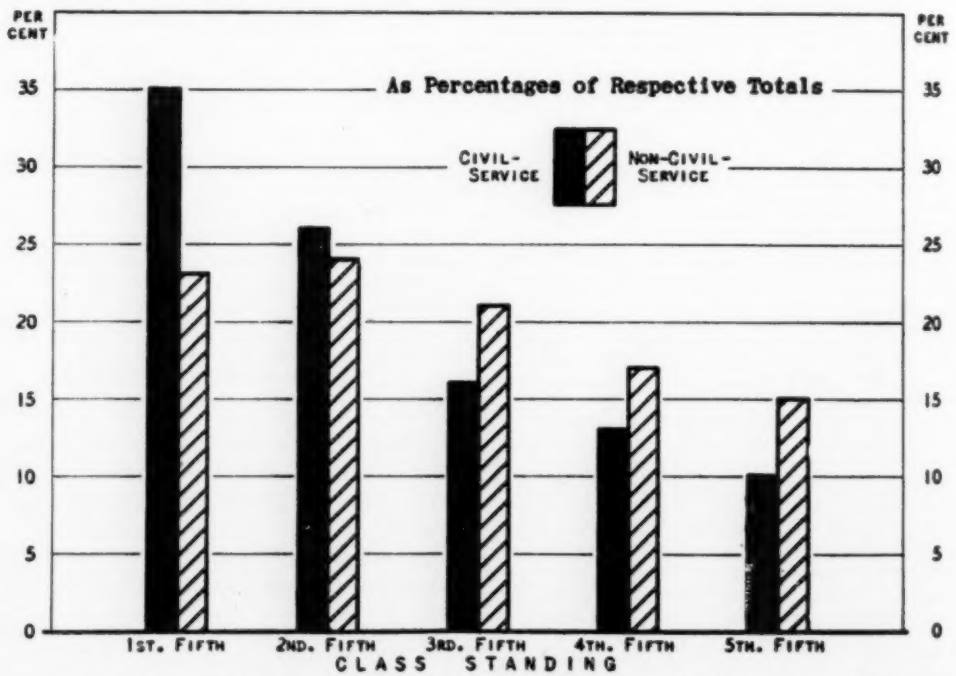

FIG. 3. RELATIVE SCHOLASTIC STANDING OF COMPETITIVE AND NONCOMPETITIVE JUNIOR PROFESSIONAL APPOINTEES TO THE FEDERAL GOVERNMENT, JANUARY 1935–MARCH 1939
(Based upon Table 9)

Commission is not securing for appointment a sufficiently high-grade type of scholastic ability when only slightly over one-third of the appointees are from the top fifth of their classes.

On the basis of the scholastic records of their junior professional appointees, the principal federal agencies rank—from best to poorest—as follows: Securities and Exchange Commission, Treasury, Commerce, Navy, Interior, War, Agriculture, and the Public Works Administration. The number of appointees to each of these agencies is shown in Table 2.

To say that the federal government is recruiting a high-grade type of employee in its junior professional positions is not enough. Even to say that 29 per cent of the junior professional appointees have stood in the top fifth of their graduating classes is still general. In the federal government there are many kinds of positions and many professions; we need to know something of the scholastic quality of each of these professions. The frequency and percentage distributions for each of the ten professions separately studied are presented in Table 9. There is great variation among them. They fall into two distinct groups scholastically: (a) the five better groups (best to less good)—social scientists, attorneys, physical scientists, patent examiners, and biological scientists; and (b) the five poorer groups—soil specialists, architects, engineers, range ex-

TABLE 9. SCHOLASTIC STANDING OF JUNIOR PROFESSIONAL APPOINTEES TO THE FEDERAL GOVERNMENT BY POSITION TITLE, JANUARY 1935—MARCH 1939
Number and Percentage Distributions by Successive Fifths

Title of Position	Junior Professional Appointees to the Federal Government by Successive Fifths											
	1st Fifth		2d Fifth		3d Fifth		4th Fifth		5th Fifth		All	
	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
COMPETITIVE												
Jr. Attorney	1	50	1	50	—	—	—	—	—	—	2	100
Jr. Social Scientist	77	55	35	25	16	11	11	8	2	1	141	100
Jr. Engineer	247	42	141	24	94	16	64	11	46	7	592	100
Jr. Physical Scientist	75	54	35	25	18	13	9	7	2	1	139	100
Jr. Biological Scientist	43	42	30	29	18	18	5	5	6	6	102	100
Jr. Soil Specialist	64	32	57	29	39	20	28	14	11	5	199	100
Jr. Forester	109	18	159	26	111	19	120	20	104	17	603	100
Jr. Range Examiner	31	23	34	26	18	14	24	18	25	19	132	100
Jr. Patent Examiner	58	42	34	24	26	19	12	9	9	6	139	100
Jr. Architect	2	67	—	—	1	33	—	—	—	—	3	100
All other	29	42	21	31	10	15	6	9	2	3	68	100
Total	736	35	547	26	351	16	279	13	207	10	2120	100
NONCOMPETITIVE												
Jr. Attorney	137	42	92	28	58	18	29	9	9	3	325	100
Jr. Social Scientist	100	51	36	18	31	16	20	10	11	5	198	100
Jr. Engineer	153	15	235	22	230	22	220	21	214	20	1052	100
Jr. Physical Scientist	15	29	14	27	11	22	4	8	7	14	51	100
Jr. Biological Scientist	13	25	13	25	10	20	8	16	7	14	51	100
Jr. Soil Specialist	64	18	96	27	85	24	57	16	54	15	356	100
Jr. Forester	8	10	17	22	18	23	20	26	15	19	78	100
Jr. Range Examiner	8	24	3	9	9	28	7	21	6	18	33	100
Jr. Patent Examiner	—	—	—	—	—	—	—	—	—	—	—	—
Jr. Architect	12	16	25	33	18	23	11	14	11	14	77	100
All other	10	38	4	15	8	31	3	12	1	4	26	100
Total	520	23	535	24	478	21	379	17	335	15	2247	100

aminers, and (finally) foresters.[1] Readers will find special interest in the fact that social scientists lead the field and that engineers are close to the bottom. The high quality of recruitment of social scientists is due, no doubt, to the more challenging type of professional work now available in the government service,[2] resulting from governmental assumption of newer responsibilities along social and economic lines. The federal government today is apparently firing the imagination of the prospective social scientists more than of any other sizable group of professional employees, including even the attorneys. With regard to the low standing of the engineers, however, it should be explained and emphasized that it is the noncompetitive engineers, principally those in P.W.A., that lower the federal engineers' scholastic showing.

[1]Foresters and range examiners present special cases, the government demand during the period under review having at times exceeded the supply, thereby forcing the government to accept any qualified applicants.

[2]For an elaboration of this point, see the author's essay, "Social Scientists in the Federal Service," in C. J. Friedrich and Edward S. Mason, eds., *Public Policy* (Harvard University Press, 1940), pp. 280–96; the most pertinent material is at pp. 292–96.

Issues Remaining

As THE outcome of this study, we are now in a position to know to what extent our personnel selection program is resulting in the intake of men and women with good scholastic records for first-rung positions on the professional ladder. If we will establish our criteria of selection (not necessarily the same for each profession), and if we will adapt our positive recruiting activities to these criteria, the federal government will be able to attract and probably retain for career positions in the government professional service many of the best qualified university graduates, however the word "qualified" may be defined. The two remaining issues, so far as this study is concerned, are: (1) to what extent should high scholastic showing in university work be a favorable factor in professional employment with the government; and (2) if high scholastic showing is a favorable factor, to what extent and by what means should the government recruit employees with better scholastic standing for work in the professional service?

The Legislative Veto and the Deportation of Aliens

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THE essential ingredients of a situation that invites resort to the device of a delegation of powers to the executive, subject to a contingent congressional veto on their use, appear to be threefold: (1) a problem that persistently and admittedly calls for governmental action; (2) a demonstrated inability of Congress to handle the problem directly, by reason of technical complexities or a stalemate of political forces that inhibits affirmative action; coupled with (3) a more than ordinary jealousy or distrust of the executive in the particular field, sufficient to defeat any outright delegation. For the past decade all these conditions have characterized the controversies over deportation.

In their recent article on the legislative veto,[1] Millett and Rogers discuss instances in which Congress has permitted the executive and the judiciary to enact legislation which has full force and effect in the absence of congressional objection, after the lapse of a stated period for objection to be voted. Procedures quite similar in operation and effect are authorized by the provisions for the suspension of deportation proceedings contained in the Alien Registration Act of June 28, 1940. They allow an administrative adjustment of individual cases on their merits and lighten the burden of relief legislation on Congress, without arousing antagonisms based on fears that a delegated authority will be abused. Congress increased executive discretion, required a report on the use made of it, and reserved the right to disapprove the result in any particular instance. If the scheme works successfully—and it seems likely to do so—the congressional hopper will receive several hundred fewer private bills each year, and the annual volume of statutes will be shorter by a score or more of laws.

[1] John D. Millett and Lindsay Rogers, "The Legislative Veto and the Reorganization Act of 1939," 1 *Public Administration Review* 176 (1941).

I

THE story of how this came about is an illuminating study in the relations between Congress and administration. Its details are found in the legislative background of efforts to deal with deportation. The Immigration Act of 1924 extended the categories of aliens subject to mandatory deportation first broadly instituted by the act of 1917, and at the same time greatly increased the likelihood of hardships to individuals by abolishing in most cases the previous time limitation of three years within which deportation proceedings had to be commenced. Thus, apart from criminal groups, thousands of otherwise worthy and harmless people who had entered in more lenient times without bothering about formalities, or had been smuggled in as children, or had come in on temporary permits and overstayed their leaves, faced the prospect of deportation regardless of their own present situations or of changes in their countries of origin. Enforcement of the act grew steadily more rigorous, culminating under the regime of Secretary Doak in the expulsion of nearly 20,000 aliens in each of the fiscal years 1932 and 1933, in addition to another 10,000 who were directed to depart

"voluntarily" or suffer the stigma of deportation. Departmental policy was largely influenced by A. F. of L. officialdom reacting to the panic of depression unemployment, as Congress was by the veterans' and other patriotic organizations. Certain of the measures taken were exceedingly harsh, such as roundups of foreign-born at social gatherings and wholesale arrests and illegal detentions. Aliens were deported even though the effect was to break up families, deprive citizen dependents of their breadwinners, and send people long resident here to countries they had not seen since childhood, if at all, or to countries whose regimes were dangerously hostile to the deportees; all without regard to the character or mitigating circumstances of particular cases. Criticisms were voiced on humanitarian and civil liberties grounds. No improvement in unemployment conditions was noticed.

An abrupt change in administrative policy occurred with the advent of Miss Perkins as Secretary of Labor. At her request an unofficial citizen committee conducted an investigation and charted a program of reform in both legislation and administration, including a recommendation "that the Secretary of Labor shall be given discretionary power not to deport in cases deemed to involve extraordinary hardship. . . ." [1] Nevertheless, a bill embodying this proposal was beaten in the House on June 15, 1934, by a decisive bipartisan vote, 186 to 92, which aligned southern Democrats and rural Republicans against Democrats and Republicans from industrial districts.

The Secretary did not abandon her policy, but while continuing to press for legislation she resorted to two administrative expedients. They were unsatisfactory at best, but the most that could be done under existing law. That law prevents aliens while in the country from changing the legal status in which they last entered. But those who could show in a pre-examination that, if outside the country, they could get passports from their home governments and qualify for legal entry under the quotas, were encouraged to cross the Canadian border and secure visas from American consuls on the strength of letters from the Department of Labor assuring them that they would be permitted to re-enter the United States. This procedure was worked out through cooperative agreements with the State Department and the Canadian government. It was not available to all, it was expensive when available, and it seemed an elaborate circumlocution. The other alternative was for the Secretary to order a stay of deportation and direct the return of a case to the files. It was dubious that the Secretary had more than a limited authority in this direction to reach temporary situations. Wide use of the power was sure to incur the criticism that the law was being sabotaged, and it could give no permanent security to the aliens thus benefited. During the fiscal year 1934 the number of actual deportations was cut more than 50 per cent, the voluntary departures dropped nearly 25 per cent, and over one thousand stays were granted. Notwithstanding the House action, its Committee on Immigration unanimously requested the Secretary to continue the stays till the next year, and additional ones were granted.

Renewed efforts to get legislation were made in 1935 when the Kerr-Coolidge bill, sponsored by the Department, was introduced and reported in both houses. It sought a broader base of legislative support by substituting an interdepartmental committee of representatives of the departments of State, Justice, and Labor to suspend deportations, and it extended the grounds of deportation to cover additional classes of criminal aliens. On the other hand it also permitted aliens, under certain restrictions, to change their immigrant or quota status without first leaving the country and then re-entering. There were hearings and discussion but the bill did not pass either house that year or the next. The most that was obtained was a House resolution countenancing the temporary stays and request-

[1] *Report of the Ellis Island Committee*, p. 77 (privately printed, N.Y., March, 1934).

ing a detailed report on the individuals covered. The price of the Department's opposition to more drastic anti-alien measures, and of the Secretary's personal unpopularity, was a refusal by Congress to adjust the growing number of hardship cases.

In 1937 when a revised compromise bill won the sponsorship of Congressman Dies, previously a leading opponent, the Department thought it saw a prospect of breaking the deadlock. His unexpected conversion helped to pass the bill in the House by about the same vote that had defeated its predecessor in 1934, since most of the southern members followed the leadership of their colleague from Texas. But the Senate's preoccupation with the Supreme Court plan, and the persistent opposition of Senator Reynolds of North Carolina, prevented any action on a favorable committee report there in 1938.

Meanwhile, moves accumulated in the opposite direction. Ever since the West Coast shipping strike in 1934 and the emergence of the C.I.O. two or three years later, demands for the deportation of Harry Bridges had served to focus the hostility to Secretary Perkins upon her asserted leniency toward aliens—a sentiment the Dies Committee was exploiting in its investigations. The House had long been more receptive to harsh measures than its own Committee on Immigration, or than the Senate, and the 1938 elections accentuated this tendency. In January, 1939, a member of the Dies Committee made an abortive attempt to impeach the Secretary, the Department's Solicitor and the Commissioner of Immigration, on the score of laxity in the Bridges case. Bills were introduced to bar all further immigration, to deport all aliens who do not become citizens within five years, to retaliate against countries refusing to receive deportees, to establish detention camps for deportables who could not be deported, to reimpose the wartime prohibitions against subversive utterances and associations, to require the registration and fingerprinting of aliens, and the like. In the spring of 1939 Congressman Smith of Virginia put together an omnibus bill of such ingredients, routed it through the more sympathetically minded Judiciary and Rules committees, and the House passed it overwhelmingly; but it was buried in the Senate committee. The Dempsey bill, to deport all aliens who advocate a change in our form of government, passed the House also, but not the Senate. The stalemate continued.

Such an atmosphere breeds compromise, and the outbreak of the war gave a new impetus to action. The resolution of conflicting wills occurred in two stages. The first to be consummated was the President's Reorganization Plan No. V, transferring the Immigration and Naturalization Service bodily from the Department of Labor to the Department of Justice. The proposal was transmitted to Congress unexpectedly on May 22, 1940, but a joint resolution making it immediately effective passed both houses within a week. The sponsors of the shift were mainly certain career officials in the State and Justice departments who perceived in the situation an opportunity to reorient the bureau's activities under more congenial auspices. The President's receptiveness to the suggestion was possibly enhanced by Secretary Perkins' determined resistance to the project for registering and fingerprinting aliens, which he came to favor as a defense measure, and which, so long as it was applied to all, the permanent officials of the other two departments had long advocated. She opposed fingerprinting on principle and fought it to the end.

The second move was longer in the making, but it came to the surface immediately after the transfer of the Service: it was the passage of the Alien Registration Act. The Senate Judiciary Committee revived the dormant Smith bill, struck out all after the enacting clause, and substituted a Labor Department draft combining three features, only one of which had a prototype in the original Smith bill. With minor changes, the draft was cleared with Congressman Smith and pushed through the successive

stages of Senate report, passage, conference action, and presidential approval in the thirty days from May 29 to June 28. Doubtless the shift from Labor to Justice accelerated the process. As finally enacted, it contains in Title I a measure previously sought by the Army and Navy to aid them in detecting and prosecuting subversive influences directed toward the armed forces. Title III required the registration and fingerprinting of all aliens. Title II, while extending somewhat the principle of mandatory deportation for criminal and subversive groups, is principally concerned with the novel arrangement for an administrative power of suspension subject to a contingent legislative veto. The essential language follows:

> In the case of any alien [with enumerated exceptions] who is deportable under any law . . . and who has proved good moral character for the preceding five years, the Attorney General may . . . (2) suspend deportation of such alien if not . . . ineligible to naturalization . . . if he finds that such deportation would result in serious economic detriment to a citizen or legally resident alien. . . . If the deportation . . . is suspended . . . for more than six months, all of the facts . . . in the case shall be reported to the Congress within ten days after the beginning of its next regular session, with the reasons. . . . The Clerk of the House shall have such report printed. . . . If during that session the two Houses pass a concurrent resolution stating in substance that the Congress does not favor the suspension . . . the Attorney General shall thereupon deport such alien. . . . If during that session the two Houses do not pass such a resolution, the Attorney General shall cancel deportation proceedings upon the termination of such session [upon payment of fees if entry was illegal. Whereupon] the Commissioner shall record the alien's admission for permanent residence . . . and the Secretary of State shall . . . reduce by one the immigration quota of the country of the alien's nationality. . . .

In this fashion the "nicer balance"[1] between the executive and Congress was achieved. There is no limitation of time or of numbers in the delegation, but the vote is by concurrent resolution and upon individual cases—though presumably disapprovals could be voted en bloc. By contrast with the Reorganization Act, no provision was included imposing statutory rules of procedure and limits on debate in the House and Senate when they consider such a resolution; but the possibility of a filibuster sustaining the Attorney General's action is remote and is further mitigated by the allowance of an entire session for Congress to register its veto, instead of only sixty days as in the Reorganization Act.

[1] I take the phrase from Millett and Rogers, *op. cit.*

II

How has the "nicer balance" worked out in practice? Bearing on this are three lines of evidence which, even if too fresh for final appraisal, are nevertheless indicative.

First, the affirmative use of the delegation. At the peak in 1939 there were some 4,500 stayed cases, approximately 1,800 of them Canadian, 900 Mexican, and 1,800 European.[2] The acute problem is with the last group, since most of the others can be and have since been disposed of on their merits, either by final deportation or in the great majority of cases by arranging voluntary departure and legal re-entry. At the beginning of the 1941 session the Attorney General reported a first batch of 120 cases for permanent suspension. No resolution of congressional disfavor has been introduced, and none appears to be presently contemplated. The number of cases is small

[2] To set these figures in perspective, it should be recalled that last year's registration disclosed the presence of some 5,000,000 aliens in the country, and that for the past seven years deportations have averaged 9,000 annually, and "voluntary" departures about the same; most of the latter re-entered for permanent residence. As of March 13, 1941, there were outstanding 8,091 deportation warrants not executed, 6,249 of them for reasons beyond the government's control: 3,947 because the countries of origin refused to issue passports for return, and 2,302 because no transportation to the countries involved was available. These figures include the criminal and other undesirable groups. This leaves 1,842 stayed for reasons satisfactory to the Department, a number that is likely to increase temporarily when the returns from last year's registration have been analyzed. The Department gave assurance that aliens whose entry was irregular but whose subsequent conduct was blameless, and who came forward to register within the time limit allowed, would be considerately treated. An unexpectedly large number registered. See letter of the Attorney General in H. Rept. 284, 77th Cong., 1st sess. (1941).

but the time was short for preparing the reports and the Immigration Service acted conservatively in reviewing each case afresh. So far, so good. If no new trouble is encountered a larger number will be sent up next year.

Second, the negative effect of the delegation on the congressional burden of private relief legislation. This has been noticeable already, and will be more so. Considering the harshness of the mandatory provisions in the substantive law, and the very limited room for administrative discretion, it is not surprising that there should have been a substantial number of cases in addition to those administratively stayed for which Congress was the only court of relief. In the 76th Congress 526 private bills were introduced in the House and 137 in the Senate relating to immigration matters. The House Committee reported 225 of these and the Senate Committee 84; and 32 of the former and 31 of the latter became law. The rest were lost at various stages, as shown by Table 1.

TABLE 1. PRIVATE BILLS ON IMMIGRATION MATTERS IN 76TH CONGRESS

	House	Senate
Bills introduced	526	137
No action	301	53
Reported, left on Private Calendar	13	2
Withdrawn by Committee	10	–
Recommitted on objection	72	–
Tabled	37	26
Enacting clause stricken out	6	–
Passed originating house	48	22
Vetoed	7	2
Pocket veto	–	1
Became law	32	31

The total of 63 bills enacted is just under 10 per cent of the entire number (657) of private laws enacted on all subjects. All but a handful of the 63 dealt with deportation, either canceling outstanding warrants or forestalling that by legalizing existing entry or residence. One authorized a non quota visa, one repatriated a citizen, two authorized immediate naturalization, and one permitted a family to remain so long as they are engaged in deep-sea diving for sponges! All the rest canceled warrants or legalized admission or both, a few cases being qualified by a prohibition against naturalization. A majority of the 63 bills which were passed were enacted before the Alien Registration Act took effect. Some time thereafter executive policy toward them changed; the President vetoed two such bills, saying in each case, after reviewing the facts and noting the new power of the Attorney General to suspend deportation,

> The present case appears to be within these provisions of law. It is therefore in the interest of orderly procedure that the matter be handled administratively in accordance with the act of June 28, 1940. Opportunity will thus be afforded for a thorough examination and determination of the question of the alien's moral character during the preceding 5 years and of whether or not his deportation would result in serious economic detriment to his wife and child.

Along the same line, the Department this year has recommended to the House Immigration Committee that no action be taken on private bills touching cases that lie within the reach of administrative discretion. Here again a "nicer balance" is in prospect, and with it an appreciable diminution in the time-consuming labors of a committee that takes its work seriously.

Finally, the initial success of the new provisions in removing a troublesome class of cases from controversy has encouraged a move to extend the scope and flexibility of the device. The House Judiciary Committee on March 19 of this year, after a brief hearing at which departmental spokesmen were unopposed, reported out an administration revision of a bill for the detention without bail of certain undesirable classes of aliens whose deportation is impracticable because of war conditions. Included in the revision was a clause adding seven consecutive years of residence in the United States as an alternative ground for the suspension of deportation. Another provision would permit the reporting of suspensions to Congress at any time while it is in session, instead of during the first ten days only. If the report

were made at least thirty days before the close of a session, the suspension would become final at the end of that session; if not, then at the end of the next. The effect would be to shorten the waiting time in many cases and to do equity to another substantial group of resident aliens of good character who are caught at present because they cannot show that an economic detriment to dependents here would follow their own deportation.

The backing of the Judiciary Committee, more influential than the Immigration Committee, and the absence of any expressed opposition to the changes, warrant the tentative judgment that the experiment made last year has won acceptance. In one more field the dilemma between the reluctance to increase the power of the executive branch and the inevitability of delegation as a means of doing justice in particular cases has been resolved.

Reviews of Books and Documents

"The Rule of Three, It Puzzles Me"

REPORT OF PRESIDENT'S COMMITTEE ON CIVIL SERVICE IMPROVEMENT. House Document 118, 77th Congress, 1st session (1941). Pp. 128.

THE members of the distinguished Committee responsible for this report were faced with a delicate task. The title of the report suggests that the Committee was expected to re-examine the whole field of problems in the civil service, analyze its fundamental purposes, the assumptions upon which it rests, its weaknesses and strengths, and, having done all this, recommend fundamental improvements. One member of the Committee appears to have urged this definition of responsibility upon his colleagues but without success. Rejection of this frame of reference left an alternative of more restricted scope but no less delicate.

The nub of the Committee's problem was what to do with the lawyers about to be swallowed up in the blanket extensions of the civil service law, rules, and regulations. Apparently the lawyers in positions long exempt from the civil service law were not eager to enter the civil service; or in any event, if they had to go in, they wanted to have something to say about the terms and conditions of their induction and future assimilation.

Whatever the precise occasion and nature of the assignment, two unusually significant spectacles are revealed in the report. The first of these is a strong public debate as to the method by which the legal profession shall find its way into the federal career service; it is not often that students of the merit system and public administration are afforded a ringside seat in a discussion so frankly conducted as this one and by such illustrious contestants. The second of these spectacles, while less dramatic, is perhaps of more lasting value; we are offered a preview of the career service system in store for the higher administrative personnel of the federal service as visualized by an unusual panel of distinguished minds. This review is limited primarily to these two phases of the report; any attempt to do more in limited space could do little justice to the report, the reader, or the writer.

It is important first to describe in more detail the scope of the Committee's assignment and those recommendations which deal with the lawyers and higher administrative personnel. In June, 1938, President Roosevelt issued Executive Order No. 7916. This order extended the Civil Service Act of 1883 to a group of positions hitherto exempt, numbering about 24,000, and was to take effect in February, 1939. In January, on the eve of the effective date of No. 7916, the President issued Executive Order No. 8044 postponing application of the previous order to some 5,000 positions in the professional, scientific, and higher administrative and technical classes. More than 2,500 of these were attorney positions. In postponing the extension of the civil service law to these positions, the President in the same order appointed a Committee to make a comprehensive study of the methods of recruiting, testing, selecting, promoting, transferring, removing, and reinstating personnel for the positions in question. The Committee was to make recommendations to the President. Appointed to the Committee were: Mr. Justice Stanley Reed, chairman, Mr. Justice Felix Frankfurter, Mr. Justice Frank Murphy, Attorney General Robert H. Jackson, Mr. William H. McReynolds, Mr. Leonard D. White, General Robert E. Wood, and Mr. Gano Dunn.

It is important to note that during the course of the Committee's deliberations the Ramspeck Act of November 26, 1940, was enacted which virtually removed all remaining statutory obstacles to extension of the civil service law by the President, with the exception of positions filled with the consent of the Senate; positions in the Tennessee Valley Authority; assistant United States district attorneys; and positions in the Work Projects Administra-

tion. The Committee, therefore, recognized that:

> . . . recommendations designed to improve present methods of recruitment, examination, certification, promotion, transfer, removal, and reinstatement for these employees [referred to in Executive Order No 8044] necessarily affect all employees in the same professional, scientific, and higher administrative branches alike; and most of them are now within the range of action by Executive order. Two separate civil-service systems are unthinkable. We have therefore accepted the responsibility of giving consideration to the major issue of the systematic improvement of the professional, scientific, and higher administrative branches of the Federal Government.[1]

The scope of the Committee's assignment as finally defined by the text of the report found one member of the Committee, Mr. Justice Murphy, in dissent. His view is expressed in a supplementary statement filed with the President and appears as a separate part of the published report in which he urges complete examination of the whole civil service system.

RECOMMENDATIONS of the Committee are conveniently summarized in the first eighteen pages of the report. They add up to: recommended extension of the civil service law, rules, and regulations to the professional, technical, scientific, and higher administrative personnel of the federal service not now covered or exempted by statute, except for policy-determining positions; identification of the higher administrative service group; a catalog of suggested improvements in organization and methods of all federal personnel agencies, and recognition of the need for increased personnel in the professional and technical classification and examining staffs of the Civil Service Commission; expansion of training programs and departmental personnel offices; increased but cautious use of selective certification; coverage of CAF positions in the Inland Waterways Corporation; deferred but ultimate extension of civil service to investigative positions, principally the Federal Bureau of Investigation; endorsement of a subcommittee report recommending revisions in the federal retirement system; and comment, suggestion, and recommendations on a number of other items. The report refers to the problems of veterans' preference and the apportionment law but makes no recommendations other than for a liberal application of the law in the case of the latter.

These recommendations, aside from the dissent of Mr. Justice Murphy as to the adequacy of the frame of reference of the report and the sharp differences within the Committee as to the methods of inducting the government lawyer into the career system, find the Committee in complete agreement.

The divided recommendations dealing with lawyers are summarized on pages 2 and 3 of the report as follows:

> With respect to attorney positions, we recommend that the President by Executive order extend the Civil Service Act to those attorney positions which were affected by Executive Order 8044 and to those included within the authority granted him under the act of November 26, 1940, with such exceptions as the Civil Service Commission may approve.
>
> However, two plans of procedure with respect to the induction of attorneys into the Government service are proposed, plan A and plan B. . . .
>
> Plan A recommends an unranked register of eligible candidates for attorney positions; rejects as unsatisfactory the present civil-service system; asserts that attorney positions present a unique problem in the professional service which must be solved individually rather than by application of a general formula. It points out that written examinations are not trustworthy guides to capacity for many of the tasks to be performed; that present certification procedure makes it extremely difficult for the candidate to exercise any choice as to the department or agency in which he will work; and finally that until the Civil Service Commission is better acquainted with the attorney problem through practical experience the entrance into the merit system should not be confused with civil-service procedures thought to be inadequate to the attorney problem.
>
> Plan B, on the other hand, recommends complete application of the merit system by means of a register on which names appear in order of merit as tested by examination, and from which certification is made in order of merit to the extent of the names of three eligibles on each request for certification. Plan B points out that a reasonable degree of flexibility is desirable in the appointment of attorneys, but asserts that such flexibility can be achieved by appointing procedures already established for other professional groups."

These recommendations are developed and debated in Chapter V. One might suggest that for some time hereafter "Chapter V" will be a term used by the litterateurs in personnel administration to symbolize the pros and cons in the dispute over basic concepts that should characterize our civil service career system.

Chapter V will be read more understandingly against the background of the changed status of the field of argument with respect to

[1] *Report of President's Committee on Civil Service Improvement*, H. Doc. 118, 77th Cong., 1st sess. (1941), p. 15.

the civil service. It should be remembered that the events of recent years have pretty much closed the chapter, for the time being at least, on the argument of spoils versus merit in the federal service. That is not to say that the spoils system advocates are through or that all is rosy for the future of the merit system. It seems clear, however, that the merit system school of thought has won the day. The big argument now is what are they going to do with the victory!

Chapter V finds the Committee agreed that the lawyers, traditionally exempt from the civil service, should be a part of the merit system and the career service in government. The argument is over terms and conditions. A variety of circumstances has left the lawyers as the last intact encampment against which the rapid civil service advances by statutory and presidential order have temporarily met a stalemate. The executive order of June, 1938, and the Ramspeck Act of November, 1940, may decree the end of the argument as to whether attorneys are to join the ranks of civil service respectability. The Committee may be said to have been assigned the task of mediating the terms of the peace.

But the Committee has left that matter to the President by dividing almost half and half behind two alternate plans. Plan A is supported by all of the lawyers on the Committee, except Mr. Justice Murphy, who supports neither plan, and by Mr. Dunn, an eminent engineer. Plan B is advocated by Mr. McReynolds, a distinguished career man in the federal service, Mr. White, a former U. S. civil service commissioner, and General Wood, chairman of the board of Sears, Roebuck and Company.

IT WOULD be callow to dismiss the argument between these two camps as one which is typical of the efforts of a major professional group to resist absorption or assimilation into the milieu of the formal civil service. Anyone who has dealt with problems of personnel administration from the inside knows the depth and psychological reality of professional and occupational distinctions as a powerful element of morale. The engineers hold strongly to the view that they are different from the social scientists. And they are. Lawyers are lawyers, chemists are chemists. And administrators—well, they are different from all the rest because of the never-never-land in which they have their being. Each of them as an occupational group claims its rightful place in the heaven of the merit system, but each insists on having a voice in determining the terms and conditions that shall govern its tenure and its proximity to the seat of the Almighty. The same is true of almost all occupational groups. The bricklayers, the electricians, the carpenters, and the plumbers hold to their "professionalism" as to something vital next to life itself. The psychological wellsprings from which these manifestations originate are as universal as the human attributes of hands and feet. To deny the validity of the argument, therefore, that each group is different and consequently should have unique consideration in devising the terms and conditions under which its members shall do their work is coming close to missing the whole point of human motivation.

The validity of the argument of the lawyers, no less than the engineers or the electricians, can be disputed; but it will be a *valid* argument of the professional groups as long as they *believe* they merit separate consideration. As long as they *feel* that way their contribution to the public service will be in direct proportion to the extent to which the methods of induction and advancement in the public service correlate the twin guardians of the career service system: sustained public expectation of a high standard of efficient public service shown by results, and reasonable measure of equality of individual opportunity for entrance and advancement on the basis of fair competition among those who aspire to contribute their talents and gain their satisfactions in serving the public.

It is at this point that the crux of the argument between Plan A and Plan B takes shape. The issue between the lawyers and the rest of the Committee is what is the best way to define "merit"? What is the best way to establish and maintain public confidence in the integrity and excellence of the public service? Is the public more concerned with the methods by which every mother's son gets a fair and just chance to enter the public service or is it more concerned with the quality, justice, and efficiency of the administration of the public business? The argument comes into sharpest focus over the sacred "rule of three"—the device of certi-

fying from a rank-order register the three top candidates, one of whom must be appointed to fill the vacancy.

The advocates of Plan A propose an unranked register which the advocates of Plan B label as a device to restrict the competition to no more than a pass or fail examination. From this unranked register, *all* would be certified as eligible for appointment. Selection from among the eligibles would be left to the responsible lawyer-administrators under whom the vacancies are to be filled. "This," say the Plan A advocates, "would enable the selective process to give due regard for the specializations of the type of position represented by the vacancy." Selection in this manner would more closely approximate a problem of *placement* of the eligible into the whole framework of the service in question and would be that much less a method of *awarding* the vacancy to the top-rank eligibles as determined by a system of examinations. Against this plan, the Plan B advocates reiterate the justifications for the rule of three.

IT WILL be unfortunate if the argument over the rule of three is judged to be the usual dispute between those who want to be different and those who would hew to the line of uniformity. The principals in this debate argue more deeply than that. What we see here is the conflict between those who eschew uniformity where uniformity compromises the effectiveness of the operating agency and those who view the rule of three and its reasonably uniform application as the symbol of open and fair competition by which the civil service maintains the confidence of the public. The fundamental issue lies between an abstract but defensible idea of fairness to the job-seeking public on the one hand, and, on the other, a belief that human beings, given a good minimum quality and quantity of ability and aptitude, properly meshed into the fabric of the organization, its work, and personalities, will be more efficient in doing the public business than will a group of individuals whose principal qualification was survival of the rule of three. Those who contest the efficacy of the rule of three contend that they are not arguing against the principle of merit in selection; they are arguing that beyond an assumed agreement on a pass requirement there are considerations peculiarly within the realm of the administrator's judgment that are indices of merit just as valid as are the devices of examination by which rank order on a register is determined. Further than that, the opponents of the rule of three make the point that the confidence of the public in the merit system will be judged as much by the operating result of the service as by the precise rules followed in filling positions.

It is to be regretted that the clarity of the position of the Plan A advocates is clouded by the fact that they make the case only for the lawyers. With respect to the other professional and technical groups, even the lawyers seem to agree that the rule of three is a good device. Whether this is due to the fact that the bulk of positions under scrutiny by the Committee are attorney positions and therefore place the lawyer members of the Committee in the position of representing only their professional group, or whether it is due to the conviction of these members that the rule of three is a suitable device in all instances except as applied to attorney positions is not entirely clear.

If the argument against the rule of three is sound, it would seem that its soundness rests not upon the fact that the lawyers are different but upon the ground that the rule of three compromises too severely the participation of the operating administrator in the selection and placement of the people through whom the responsibilities of his office will be discharged and his own effectiveness judged by the public he serves. If that ground affords a good argument against the rule of three as applied to lawyers, it is difficult to follow the tacit agreement by the lawyers that the rule is satisfactory in the selection of engineers or social scientists. One might suggest that the lawyers may have concluded that if the engineers are reconciled to the rule of three there was no occasion for its efficacy to be argued by those not of the engineering profession. One might have hoped, however, that, true to their role of expert argumentation, such a distinguished panel of the legal profession might have gone to the root of the debate over the rule of three without regard to the professional distinctions made within its application.

There is need for debate—much debate—over the issue represented by the rule of three. Personnel technicians are encouraged to regard

themselves, and rightly so, as the front-gate guardians of the merit system. The merit system's continuation and extension depend in large part upon the confidence with which the public views its manifestations. Behind the rule of three there has developed a complex pyramid of devices and techniques designed to remove ability analysis and rating from the realm of subjective judgment and move it into the cold objective atmosphere of tests, scores, weighted indices, and split-digit ranking where decimal points may frequently determine the difference between appointment and rejection. These technical trappings become the symbols of the merit system in the eyes of the public. They are interpreted as assurances to the public that the open door of fair competition exists for those who aspire to enter the public service without resort to special influence or favor. They are also—but too frequently, incidentally—important devices for getting the right man into the right job. In this way the rule of three forms the apex of this pyramid of devices erected in the personnel system in the interest of objectivity.

Now those who attack the theory of the rule of three are on treacherous ground. It is an ambitious attack in the sense that it strikes at the rationale of the whole system of devices that have come to characterize the civil service. It is one thing to argue that a specific examination technique, a rating scale, or a method of defining registers is in need of improvement. The technicians frequently relish argument on these matters because the critic must meet them on their own ground and with weapons of their own choosing. But when one attacks the validity of the rule of three, one is waging war on the supreme symbol of objectivity and protectionism in the civil service. Those who question the efficacy of the rule of three on the high ground that it restricts the ability of the responsible administrator to develop a competent, well-coordinated staff whose abilities and personalities are so meshed together as to produce highly efficient and brilliant results are in danger of being misunderstood, no matter how sincere and intelligent are their judgments and convictions. Perhaps we personnel administrators to whom the public has been persuaded to intrust the integrity of the merit system are somewhat to blame for this. Perhaps we have not permitted the public to retain a sufficient quantity of faith in the ability and honest purpose of competent career administrators to participate directly with us in selecting their subordinate staffs without the fear that favoritism and patronage will blast the merit system to pieces.

One must grant the basis for this fear—hence the rule of three and much that lies behind it. But if the merit system is to move from the era of protectionism into something more positive in its concepts and methods, re-examination of defensive mechanisms prompted by fears may be of great value.

Something akin to this note is discernible in the plaintive plea of the lawyers when they state,

> True, the judgment of the appointing officers may well be fallible, but we feel it indispensable at least to hold open the possibility of success in his choice.[1]

One might hazard a guess that a detailed study of the actual mechanics of the rule of three would have provided the Plan A advocates with a more potent argument for their unranked register proposal than the one afforded by the plea that the lawyer is different. This reviewer would be the last to suggest that the ranked-register-rule-of-three device is the most important characteristic of a strong merit system. The tenor of the Plan B advocates in opposing Plan A suggests, however, that they are convinced that elimination of ranked registers and the rule of three with respect to lawyers would be a body blow to the merit system. It is to be hoped that the merit system does not have all of its vital organs centered in so vulnerable a device. One is led rather to conclude that the strong position taken by the Plan B advocates, centering as it does upon the preservation of the ranked-register-rule-of-three plan, was the only tenable position available to them unless they were willing either to see the lawyers treated differently from other professional groups or to embark upon a complete and necessarily prolonged re-examination of the whole civil service system. Apparently the whole Committee, except for Mr. Justice Murphy, agreed that their assignment was too limited for that. Under the circumstances one must express sympathy for the dilemma in which both the advocates of Plan A and those of Plan B found themselves.

[1] *Ibid.*, p. 34.

Chapter VI on the higher administrative service is an agreeable sequence to the unresolved dispute embodied in Chapter V. This chapter seems clearly to be the most significant phase of the report. Here is defined, for the first time, the outlines of the characteristics of an administrative or managerial corps in the federal service. The need for the recognition of such a group has been asserted with increasing emphasis among students of the public service in recent years. This concept was given pointed reference by the Reeves and David study of the President's Committee on Administrative Management in 1937 and earlier by the Commission of Inquiry on Public Personnel. In several important respects the present report builds upon these earlier declarations. The Committee's recommendations visualize the creation of an administrative group with or without professional or scientific specializations consisting of incumbents having administrative responsibilities in positions occupying grades CAF-11, P-4, and higher. This administrative career service corps would be replenished largely by promotion or transfer from within the service with primary reliance as to method of selection placed in the hands of examining committees and the discriminating judgments of superior administrative officers and departmental personnel officers. Furthermore, the Committee urges recognition of the role of general management in the career service directly below the policy-making heads, the general managers constituting the top rank of the administrative corps. It is significant to note that the Committee does not participate directly in the time-worn controversy as to whether persons for administrative responsibility should be drawn from among those of professional or technical training and experience or from among those whose training and experience are devoid of such specialization. The Committee wisely accepts the fact that higher administrative positions are and will be occupied by persons from both backgrounds. They rightly identify the higher administrative group upon the basis of the common denominator of administrative skill and responsibility.

Perhaps the greatest danger of the realization of the important objectives of Chapter VI is to be found in the threatened extension of too highly restrictive certification devices in filling higher administrative posts. The Committee itself may unwittingly invite this threat to their objective in the following comment on this problem.

> No formal tests are known to us which are a safe guide to predict administrative skill. Certain psychological tests may be helpful. At the present time we believe that principal reliance must be placed on the careful observation and impartial considered judgment of supervisors and personnel officers. We note, however, studies now in progress designed to isolate the qualities of mind which comprise skill in management, and urge personnel officers and the Civil Service Commission to take early advantage of any tests which prove to be valid and reliable.

If the history of the search for objectivity in selection of personnel in the civil service offers any lessons, one that stands out clearly is that premature reliance upon tests and measures of the heretofore untestable intangible qualities and aptitudes may so freeze the assumptions upon which the validity of these tests and measures are based as to preclude continued debate and development of progressively better assumptions. In a public service that has not yet found its full function in a fast moving democratic social and economic structure, premature formalization of these techniques may result in a serious public disservice.

This review would be remiss without a comment upon the significant change of pace noted between Chapters V and VI. In Chapter VI the Committee takes cognizance of the fact that the higher administrative service will be replenished primarily from the lower ranks of the service. It emphasizes the crucial importance of developing a higher administrative service characterized by those qualities of mind and aptitudes of management commonly referred to as imagination or creativeness. It recognizes further that these qualities and aptitudes are as yet not susceptible of even semiscientific or objective measurement divorced from sustained test through actual performance and experience.

Obviously the success of selection from within will depend largely upon the reservoir of those intangible qualities found in the junior, assistant, and associate professional or the intermediate CAF grades. Yet in Chapter V, the Committee divides sharply on the estimated efficacy of highly restrictive certification because of the inability of devising test instruments that will distinguish between those with the required professional prerequisites and

those who have the intangibles in addition. True, the lawyers on the Committee who make this point urge it only as it applies to the selection of young attorneys. It would seem clear, however, that unless the future higher administrative service is to be made up primarily from the ranks of those trained in law, the same concern for the shortcomings of restrictive certification would apply with equal force to the selection of almost all juniors and assistants insofar as selection at the bottom is to be used deliberately for the creation of a superior reservoir from which the future managerial leaders will emerge. The seriousness of this inconsistency is mitigated in large part by the existing mysteries of human potentiality. As the Committee points out, no semiprecise formula has yet been found for discovering by test or rule of thumb the dormant abilities and qualities of leadership of the junior recruits in the public service. There are no devices that can prove that these qualities do not exist, or are so deeply buried that wise and mature supervision and a challenge of stimulating experience cannot ferret them out for careful nurture for subsequent assumption of administrative leadership.

RECOGNITION of the major role of the higher administrative service in the loyal and intelligent administration of expanding public functions should go a long way toward inspiring well-founded public confidence in the integrity of government. Identification of such a service will do much to pave the way for self-directed evolution of improved standards of public administration as a profession. Given the elements of professional consciousness, the career administrative group will find less occasion and less frequent incentive to mix its administrative responsibilities with participation in that twilight zone of relationships between the executive and legislative branches which keeps the public guessing as to who is responsible for what. The implications for a growing professional consciousness on the part of the higher administrative personnel contained in this report dwarf the other problems it covers into stature of only current significance. Chapter VI read against the background of the accelerated expansion of governmental functions provides a solid contribution to progress in the development of an adequate career civil service.

It is to be hoped that long after the controversy so sharply set forth in Chapter V has been resolved, the stimulating, constructive, and highly practical suggestions of Chapter VI will be bearing fruit. It may not be out of order to suggest that if the time, attention, and effort of those to whom is intrusted the task of giving life to the recommendations of this report are concentrated intelligently, persistently, and with imagination upon the achievement of the goals set forth in Chapter VI, the restrictive understandings which provide some practical justification for the rule of three will be sufficiently dissipated as to make rank-order-rule-of-three certification an inconsequential issue in the development and improvement of a career system.

GORDON R. CLAPP

Federal Administrative Procedure

ADMINISTRATIVE PROCEDURE IN GOVERNMENT AGENCIES, Report of the Committee on Administrative Procedure Appointed by the Attorney General of the United States. Senate Document No. 8, 77th Congress, 1st Session, 1941. Pp. viii, 474. 50c.

THE final report of the Attorney General's Committee on Administrative Procedure is concerned with the problem of establishing procedures that will tend to eliminate arbitrary exercise of federal administrative powers and promote public confidence in the fairness of federal administrative action. The report is more particularly concerned with those powers now vested in some fifty-one federal agencies to determine, either by rule or by decision, private rights and obligations. These determinations arise in the conduct of the agencies' adjudicatory or rule-making activities. Separate treatment is afforded in the report to informal methods of adjudication, formal methods of adjudication, judicial review of administra-

tive adjudications, administrative rules and regulations, and judicial review of administrative rules and regulations.

The report has its foundations in the experience and study of a committee of judges, practicing lawyers, law school professors, and federal law officers, and in the factual data derived from an investigation of existing federal administrative practices and procedures in the several executive departments and independent agencies. The investigation was instituted by the Committee following its appointment in 1939. Some twenty-seven agency monographs resulted, prepared under the supervision of Professor Walter Gellhorn of the Columbia University Law School, director of the Committee's staff. Five contemporaneous monographs prepared by Ashley Sellers of the Solicitor's Office, Department of Agriculture, were also utilized. In addition, following publication of these monographs, public hearings were held by the Committee in June and July of last year. Nor was the Committee surveying a wholly unploughed field. It had the benefit of the critical discussion revolving around the Logan-Walter bill and its recent veto message, the report of the President's Committee on Administrative Management in 1937, and the Brookings Institution report in 1937 to the Senate Select Committee to Investigate the Executive Agencies of the Government. [1]

On the more important and controversial points the Committee is divided although the majority and minority went down the road the greater part of the way together and separated only near the end of the journey. The seven members constituting the majority [2] set forth their views and recommendations and a draft of proposed legislation.[3] Three of the minority did likewise in a statement of "additional" views and recommendations.[4] The fourth minority member also presents a similar "additional" statement.[5]

AGENCY heads must delegate functions if governmental machinery is to operate efficiently and expeditiously. Fortunately the great bulk of administrative determinations can be handled satisfactorily through informal procedures and without personal participation of the agency head. This is almost invariably true where the issue is one of fact depending on visual examination or purely scientific tests by expert technicians. It is also true of probably 95 per cent or more of such voluminous items as tax deficiencies or refund claims, veterans' and social security claims, liquor label approval applications, licensing of dealers and brokers in securities and foodstuffs, railroad and perishable agricultural commodity reparation claims, and others. Furthermore, it is generally true in every field of administrative adjudication, even those involving important and controversial economic and social questions. Thus the necessity for applying formal adjudicatory procedures is rare. Nevertheless their ultimate availability has a direct and wholesome influence on even the more informal adjudicatory determinations. That a particular administrative action may possibly have to be spread on a public record, be forced to withstand the weight of opposing evidence and reasonable cross-examination, be supported by findings, legal conclusions, and reasons, and be subjected to judicial scrutiny, are requirements that improve the administrative product. That formal adjudicatory procedures be available to the individual and be fair and effective, and that the administrative judge be impartial, thus become matters of great importance to all administrative adjudication. Unfortunately there is great controversy as to appropriate methods.

The controversy arises from the telescoping of legislative, prosecuting, and judicial func-

[1] Note also an analysis of existing procedures entitled *Working Papers on Administrative Adjudication* by Frederick F. Blachly, Senate Committee on the Judiciary, 75th Cong., 3d sess., 1938.

[2] The majority was composed of Dean Acheson, recently appointed Assistant Secretary of State; Francis Biddle, Solicitor General; Ralph F. Fuchs, professor of law, Washington University Law School; Lloyd K. Garrison, dean, University of Wisconsin Law School; Henry M. Hart, Jr., Harvard University Law School; James W. Morris, Judge of the United States District Court for the District of Columbia; and Harry Shulman, professor of law, Yale University Law School.

[3] The legislation proposed to carry out the majority recommendations has been introduced as S. 675, 77th Cong., 1st sess.

[4] Carl McFarland, former Assistant Attorney General; E. Blythe Stason, professor of law, University of Michigan Law School; Arthur T. Vanderbilt, former president of the American Bar Association. The legislation proposed by the minority has been introduced as S. 674, 77th Cong., 1st sess.

[5] D. Lawrence Groner, Chief Justice of the United States Circuit Court of Appeals for the District of Columbia.

tions in administrative practice in the head or various subordinates of a single agency. The whole Committee recognizes particularly the undesirable results that flow from commingling in the same agency the function of investigation and prosecution with the function of hearing and decision. The solution of this problem is the separation of such functions and adequate provisions insuring the independence, impartiality, and competence of the "administrative judge." However, the Committee divides at once on how to obtain these ends.

The majority urge that in formal administrative adjudication the duties of hearing the evidence, making findings of fact, formulating conclusions of law, and reaching a determination or decision in the case be placed in hearing commissioners to be appointed by the Office of Federal Administrative Procedure on nomination of the administrative agency concerned. The Office of Federal Administrative Procedure would have the right of rejecting nominees lacking in training, experience, or character. That office (which the Committee recommends be established)[1] would be composed of a director to be appointed by the President and confirmed by the Senate, an associate justice of the United States Court of Appeals for the District of Columbia designated by the Chief Justice of that Court, and the Director of the Administrative Office of the United States Courts, who is appointed by the Supreme Court of the United States. Hearing commissioners would receive a salary of $7,000 a year to be paid by the administrative agency they serve and would be appointed for seven-year terms. The hearing commissioners would remain a part of each agency's organization but would constitute a separate unit therein. They would have no other functions. Contrary to practice in most agencies a hearing commissioner's determination would be final and binding unless an appeal were taken on assigned errors to the agency head. In the event of judicial review the findings, conclusions, and decision of the hearing commissioner would constitute part of the record before the court.

The minority are of the view that complete independence is essential to the proper exercise of the adjudication function, and that investigators and prosecutors on the one hand and hearing and deciding officers on the other should therefore be segregated into wholly independent agencies. "Internal" separation within an agency will not suffice. Hearing and deciding officers cannot be wholly independent so long as their appointments, assignments, personnel records, and reputations are subject to control by an authority also engaged in investigating and prosecuting. But when it comes to a specific legislative proposal Messrs. McFarland, Stason, and Vanderbilt accept (temporarily according to Chief Justice Groner) the majority's hearing commissioner plan with but minor modifications, such as additional standards for appointment, a twelve-year term, reappointment without intercession of the administrative agency concerned, and greater restrictions on removal. The goal of complete independence of hearing officers must await the end of a trial period in each agency and then be dealt with by Congress seriatim. Some may question whether this trial period has not long since expired in the case of many agencies.

Chief Justice Groner likewise suggests that administrative officers charged with the duty of enforcing a regulatory statute should be separate and distinct from the officers or tribunal charged with the duty of passing judgment upon alleged violations thereof. To accomplish this objective the Chief Justice recommends that where this separation of functions of prosecutor and judge in administrative proceedings would be impracticable or ineffective, then the decision of the administrative officer or tribunal, including findings of fact, should be subject to review by a wholly independent board along lines of the Board of Tax Appeals. If, however, the hearing commissioner plan is to be adopted, then the hearing

[1] In addition to the important functions of appointment and removal of hearing commissioners, the Office of Administrative Procedure would be a continuing agency for investigating, evaluating, and recommending improvements in administrative practices. Among matters recommended to be dealt with by the Office would be unification of procedure with regard to admission to and control over practice before government agencies, practices as to issuance of subpoenas, formalities as to depositions, the form of briefs and pleadings, usefulness of the answer as a pleading, costliness of transcripts of records, and unnecessary requirements for reports and records from individual citizens and corporations. The director of the office would occupy a position with respect to federal administrative agencies somewhat analogous to that which the Director of the Administrative Office of the United States Courts occupies with respect to the federal judiciary.

commissioners should be appointed by the Office of Federal Administrative Procedure solely on its own responsibility, be paid out of its funds, and be assigned to cases by that office. Only by such independence, the Chief Justice concludes, can a citizen hope to obtain an open, fair, and unbiased determination of his rights when charged by the government with violation of a regulatory statute.

The majority oppose complete segregation on the ground that it would make enforcement more difficult and would not be of compensating benefit to private interests. They point out that, in connection with his exercise of investigative and prosecuting functions, the agency head need not prejudge the issues or do more than pass on the sufficiency of the material developed and presented to him by others as a basis for instituting proceedings. The more routine duties may be delegated. Also there are disadvantages in sheer multiplication of governmental organizations. Further, complete separation would result in loss in consistency of action as a whole, create danger of friction and breakdown of responsibility, and remove the wholesome restraining influence which the exercise of the deciding function has in limiting the functions of an agency as a whole. The final argument is that bias in deciding cases is mainly the product of many factors of mind and experience and is more deeply rooted than any mere matter of administrative machinery. Complete separation would not necessarily cure bias, and the Interstate Commerce Commission is cited as a demonstration that impartiality can be achieved without separation.

Whatever mechanism Congress may ultimately enact, the report substantiates the conclusion that among the requisites of fair administrative adjudication are these: that the administrative judge shall not have participated in the investigative process or preparation or prosecuting of the case; that he be of judicial temperament and preferably a competent and experienced lawyer; that he be independent of and not in close contact with those who enforce the statute and be beyond the reach of petty internal agency reprisals; that his findings and decision be based on evidence of formal record at a public hearing and subjected to reasonable cross-examination except that official notice may be taken of any generally recognized technical or scientific fact subject to an opportunity to rebut; and that he confine himself to the record, personally master it, and not engage in secret conferences with governmental prosecutors, investigators, and specialists.

WHAT classes of matters the Committee would subject to the procedure governing formal administrative adjudication is far from clear. The basic limitation is that the procedure shall apply only to "matters required by law to be determined after opportunity for hearing *and* on the basis of a record made in the course of such hearing." If by "law" is meant statutory law, this erroneously presupposes that Congress has an established policy as to providing statutory hearings. In effect the availability of formal administrative adjudication would depend on the forethought or lack of it by committees of Congress in framing particular regulatory measures. Further, few statutes today affirmatively state that administrative determinations thereunder are to be made only on the basis of a record made at an administrative hearing.

In addition specific exceptions are made. Thus the majority lists matters relating to patent or trade-mark laws, conduct of the military and naval establishments, government personnel, and proceedings before a state officer pursuant to federal law.[1] More vague is the exclusion of proceedings in which a hearing is held "for the purpose of receiving evidence" or in which is involved the issuance of a rule, regulation, or order for the future governance or control of persons not required by law to be parties to the proceeding. Among other matters this last restriction would apparently exclude, in the absence of specific statutory provision to the contrary, blanket licenses and orders, allocation of quotas, general rate, wage, and price orders, benefit

[1]The minority excepts functions relating to public works, relief, lending or spending, fiscal and monetary operations of the Treasury, arbitration and mediation proceedings, matters relating to government personnel, and conduct of military and naval establishments, diplomatic functions, or foreign affairs. The logic is obvious in the exception also of determinations subject to trial *de novo* by a separate and independent administrative tribunal or in a court. Among such proceedings would be reparation orders and confiscation aspects of rate orders heard *de novo* by the courts, and tax matters heard *de novo* by the Board of Tax Appeals, the Processing Tax Board of Review, and the United States Customs Court.

and similar payments, and general rules and regulations so far as not retroactive. All these in actuality fall forcibly on the individual and involve likelihood of arbitrary or discriminatory determinations at least equal to that of the items included. Moreover, these forms of action are probably of greater importance today, both quantitatively and practically, than orders relating to past violations. Apparently a technical concept of "parties" outweighs in the Committee's mind the fact that in these excluded situations actual and important controversies exist among definable parties or between them and the government. Even court rules recognize the necessity for class and representative actions in similar situations. The greatest weakness of the report is that it differentiates in its treatment of procedures for various types of administrative action more along lines of "classical" formalities than with regard to the actual legal force and effect of the action on the individual and its importance to him and the public.

Bearing on the matter of coverage is also the proposal whereby any agency may issue declaratory rulings when necessary to terminate a controversy or to remove uncertainties as to statutory authority or rules. This is the administrative equivalent of a declaratory court judgment. Further, declaratory rulings would be subject to judicial review. The majority leave the granting of declaratory rulings to the discretion of the agency, but the minority make mandatory such rulings on petition of any interested person with the provision that rights of persons not parties to the declaratory proceedings shall not be affected. Such rulings, particularly if action on application therefor is mandatory and not discretionary, would provide a means of access to administrative tribunals and the courts that does not now exist in many situations involving declarations of legal rights for the future rather than judgments in matters of past violation. No formalized procedure is specified for declaratory rulings. However, inasmuch as the proposals provide for judicial review of declaratory rulings, it may be presumed that proceedings leading to those rulings would have to be sufficiently formalized to make the administrative record suitable for court review. The proposal for mandatory declaratory rulings is highly important and presents far-reaching possibilities.

Judicial review of administrative adjudication is a second point on which the Committee divides. The desirability of such review is recognized, for if an administrator's order may be subjected to judicial scrutiny the Committee concludes that he will probably take pains to see that his conduct will withstand that scrutiny. But when it comes to a legislative proposal the majority make no recommendation. They suggest that Congress deal with the matter by specific legislation whenever Congress is dissatisfied with the existing review being accorded by the courts to a particular type of administrative determination.

On the other hand, the minority believe that Congress, contrary to its present laissez faire attitude, should definitely prescribe at this time the scope of judicial review rather than leave the courts "to venture into this controversial field on their own initiative and without needed statutory direction." Further, Congress should specify the special degree of review desired as to each question. As to those issues on which it desires a maximum of judicial scrutiny, Congress should so specify through providing review according to the "weight of the evidence" or some other appropriate formula. At least two objectives would be accomplished by the minority proposal. The courts would be encouraged to lose their reluctance, in the absence of explicit statutory authority, to enter on a field of administrative discretion and consider the reasonableness of the action taken. Also there should result modifications in the practice that validates administrative findings if supported by a few bits of evidence picked hither and yon from the record rather than by substantial evidence upon the record as a whole, or solely on the basis of a presumption as to the regularity of the action taken.

Chief Justice Groner suggests that wherever complete separation of the function of prosecutor and judge from the function of hearing and deciding exists, the findings of the hearing commissioner or agency head should on judicial review continue to be conclusive, as at present, if supported by substantial evidence except where a constitutional right or privilege is in issue. Also where complete separation of functions does not exist, the Chief Justice would not alter the present scope of judicial

review but would interpose between the administrative agency and the courts a full *de novo* review by an independent body as in the case of review of determinations of the Commissioner of Internal Revenue by the Board of Tax Appeals.

THE third major topic dealt with by the report and one again on which the Committee is divided, is that of rule-making functions. The majority make no new substantial suggestions irrespective of whether the regulation is legislative in character, that is, legally binding, or whether it is merely interpretive in character, and also irrespective of whether, as is commonly true of legislative regulations, adversary interests are involved and proceedings of an adversary character could readily be devised. On the other hand, Messrs. McFarland, Stason, and Vanderbilt make certain definite recommendations for the minority. Among these are the following: that the agency shall conduct preliminary nonpublic investigations adequate to enable it to issue or propose tentative or final regulations; that wherever practicable general notice of any proposed regulations shall be published setting forth the scope of the proposed regulation with particularity and inviting the public to be heard; and that any regulation may be judicially reviewed through the declaratory judgment procedure where the regulation or its threatened application interferes with or impairs constitutional or statutory rights. This last is of extreme importance for it avoids the expense, delay, and risks of waiting for the government to institute collateral violation proceedings before the validity of the regulation may be tested. The minority provide that the formal adjudicatory procedure shall be available to, but its observance not required of, the administrative agency in the conduct of rule-making functions. The report makes less drastic recommendations in the field of rule making, perhaps because legally binding substantive regulations, as contrasted with those of an interpretive character, are on the whole a rather recent development on any large scale. In its statutes Congress has not, save in one or two instances, afforded precedents by giving the detailed attention to the procedural aspects of rule making that it has to other administrative determinations.

The report gives the impression that the Committee, save for Chief Justice Groner, have to some extent tempered their recommendations with considerations of strategy and legislative possibilities. Perhaps this is wise. There is the risk of impairing administrative efficiency, and experimentation may well proceed slowly. Further, there is administrative opposition which is sincere in its conviction that restraints on placing in effect a determination the administrator "knows is right" are unnecessary and destructive.

The report is an excellent and painstaking survey and analysis of the more important and controversial federal administrative problems. The recommendations, whether of the majority or minority, if fully carried into effect, should greatly improve the quality of our administrative product and go the greater part of the way toward meeting the antagonism that has developed among the public and in Congress toward administrative action in the adjudicatory and rule-making fields.

FREDERIC P. LEE

The University and the Public Service

EDUCATION FOR PUBLIC ADMINISTRATION, by GEORGE A. GRAHAM. Public Administration Service, 1941. Pp. vii, 366. $3.50.

THIS is purportedly a review of public administration programs confined to training for general administration through instruction in the social sciences at the college level and beyond. It turns out to be a great deal more. Here at last is a fairly definitive statement on university training for public management. The discussion is comprehensive and reaches down to the roots of educational philosophy on the one side and of government employment needs on the other. This volume should serve prospective students of public administration as a guide, college faculties as a manual of policies and practices,

and university officers as a standard for evaluating programs.

Part II is a survey of twenty-one educational institutions. The Institute of Public Administration, Michigan, Syracuse, Cincinnati, California, National Institute of Public Affairs, Minnesota, Harvard, and Pennsylvania, representing institutions with more or less comprehensive training programs, are each reviewed in a separate chapter. A report on the activities—mainly in-service training—of the University of Southern California, and American, Wayne, and New York universities, makes up chapter ten. The training offered "without organization" by Chicago, Wisconsin, and Columbia universities is analyzed in chapter eleven. In addition to these institutions, certain aspects of the programs at the following universities and colleges are referred to in Part I, but not specifically described in Part II: University of Denver, Princeton, Stanford, University of California at Los Angeles, Claremont Colleges.

Graham's appraisal of these programs is generally affirmative, but qualified. He warns that the universities cannot afford to rest on their laurels:

> Educational institutions have done the best they could, and the best was good enough for the times. But what was once good enough is no longer adequate. . . . Today faculties are teaching all they know about public administration and may be a little bit more. We cannot perpetrate the past upon the future without committing the fraud that we have to the present avoided.

The standards of measurement set up are general. (1) Are objectives defined? If so, are the necessary implications recognized and provided for? (2) Are the training devices suited to the objectives, well organized and integrated? (3) Is the program related to the university's location, nationally, regionally, locally? (4) Is the program related to the university's resources; materially—faculty, library, laboratory; and traditionally—student mores, academic prestige? (5) Has there been constant revision of program, organization, and method to meet changing conditions and to apply the lessons of experience?

While Graham offers no set formula for pre-entry training in public administration, he does stress a number of considerations as extremely important. He asks that training be recognized as professional in character with definite vocational objectives: (1) managerial work; (2) auxiliary staff work; (3) social science research, at any one of the several levels of government, federal, state, municipal. He recommends that the training be given at the postgraduate level, require probably two years to prepare for managerial and auxiliary staff work and three years for research, and be made available only to selected students chosen on the basis of personal traits as well as intellectual accomplishments.

With respect to method, he suggests that the coaching technique and not the traditional academic course be the prototype for instruction. This would mean (1) individual supervision of students, (2) group training, to develop among other things *esprit de corps*, (3) field training, i.e., apprenticeship and internship, and new educational devices such as the bloc system (one course at a time, full time), the conference course (wherein students study for and enact roles simulating the participants in a current public problem), the case system, the introduction of public service consultants. It would mean also recognizing that education is designed for the inculcation of certain mental habits and skills, such as analysis and decision making, as well as for acquiring knowledge of substantive fields.

Graham proposes specific organization of the university for public administration training purposes. The minimum would be an interdepartmental committee of the social sciences with the public administration program under a full-time training supervisor. Better yet would be the organization of a social science division which would allow for other professional programs, e.g., journalism, business administration, as well as public administration. Careful records of students and graduates should be maintained and employment finding facilities provided so that it will be possible for the student to start the career for which he is prepared instead of taking what he can get.

Finally he asks for recognition of the special demands made on the faculty by public administration instruction, especially in terms of the necessity for organized and continuing research, travel funds, and leave with pay for research purposes.

I am not disposed to quarrel with the author on his recommendations as to pre-entry education. No doubt some readers will, on such points as the suggestion that a two-year program culminating in a master's degree is adequate in preparation for administrative work, as compared to three years for research. The scope of this study is so broad as to encourage one not to be critical of details. It is candid, and courageous too. No subjects are taboo. See the comments on discrimination against Jewish and women students; on the inadequacy of faculty salaries; on academic politics and personal conflicts; on such abuses of senior faculty members as prolific text writing, more notable for royalties than for the research involved; on excessive specialization in research to the point of "isolation and rigidity." Graham is realistic in his treatment. He does not overlook the personal factor: to wit, his insistence on the need for a vigorous, enthusiastic personality, with vision and ingenuity, as training coordinator.

I am disposed to quarrel a little with some of Graham's findings as to in-service training. It is not what he says so much as it is his emphasis with which I find myself disagreeing. He is a little too optimistic, I feel, as to both the speed at and the extent to which governments will take over the training of their own employees. My own estimate is that the universities will be doing post-entry training on a part-time-student basis for a long time to come and not, as Graham seems to imply, for so short a time as to make futile any long-term planning by the universities. Graham is inclined, I think, to undervalue the educational capacity of the in-service student and teacher and the impetus which the in-service situation naturally gives to the educational process. I agree wholeheartedly that the part-time instructor "should be used to supplement, not to substitute for, a professional faculty." But I would emphasize more than the author does that in many fields the public service consultant who teaches only part-time and pioneers full time on the frontiers of administration is better equipped to teach than the full-time teacher. Many of the inadequacies of part-time teaching can be remedied by proper planning and coordination, and by the provision of teaching assistance to the part-time instructor. However, it would be less than fair not to point out that post-entry training is necessarily subsidiary to the author's consideration of pre-entry problems and that my criticism therefore is minor and secondary only.

All in all, this study is probably the most important document we have had to date on university education for public administration. The survey of specific programs is most valuable in itself. It renders an even more important service as a basis for philosophy and standards. The author deserves high commendation; his book deserves careful reading by students, teachers, and practitioners.

HENRY REINING, JR.

The Problem of Police Leadership

POLICE SYSTEMS IN THE UNITED STATES, by BRUCE SMITH. Harper and Brothers, 1940. Pp. xx, 384. $4.00.

WITH the appearance of this book, there is available for the first time since the publication of Raymond Fosdick's *American Police Systems* in 1920 a general description and appraisal of police systems in the United States. There have been several valuable studies and surveys of cities and states but none which covered the entire police field on a nation-wide basis. During this twenty-year period much activity has occurred in the police sector. Unfortunately some of this activity continues to be concerned with scandals which have been the bane of police administration in the United States from the beginning of organized departments. In other instances there have been outstanding examples of capable police management which have served to broaden the frontiers of police administration.

During these two decades the police have tended to become gadget-minded as evidenced by the adaptation of the radio and the automobile for police use. The automobile has permitted the police to become mobile in such a way as to concentrate their striking power and

to meet organized crime increasingly on its own ground. The radio has served greatly to coordinate police efforts through a constant knowledge by headquarters of the location and the business of members of the department. Side by side with these improved mechanical devices, however, may be found practices which have remained unchanged since the inception of organized police effort. The department possessing the latest in technical equipment and engaging in extensive police training programs often finds its police executives with an average tenure of one year. This curious juxtaposition of the old and the new has much to do with the chronic weakness of the police front.

As one reads the pages of this book he is struck by the perseverance of certain practices which have long hindered effective police action. Responsibility continues to be dispersed; both at the same and at different levels of government there is the definite American tendency to divide responsibility for law enforcement. That this is a survival of our fear of executive domination is well recognized, but whether we can now afford such luxuries is a timely and serious question. Weak organization, marked in many instances by a complete lack of understanding of the meaning of the word coordination, is also generally characteristic of police effort. Other deficiencies include the absence of capable leadership, ineffective control except at too high a price, and the lack of application of modern personnel practices. The most severe indictment of all perhaps is that the police, in most instances, are not competent themselves to study and to strengthen their own weak points. Thus it is not at all uncommon to find in relatively large cities an equal distribution of patrol strength among the three details. Yet even a brief examination of the chronology of criminal offenses would show the need for a concentration of patrol strength at certain periods of the day.

Unfavorable though the general picture may be, there are nevertheless certain encouraging developments. Most important of all is the evidence at hand of an emerging leadership which has not only solved the problem of effective control without abdicating its own responsibility but has also engaged actively in studying the police unit with the desire of improving the organization and of raising the caliber of police management. Of great significance also is the development of the uniform crime reporting system. When Fosdick wrote in 1920 he noted the lack of reliable crime statistics and was forced to depend upon fragmentary material gathered from various sources. Since 1930, however, the uniform crime report has made available a vast amount of data on crime trends in the United States. In addition the uniform crime report in recent years has included summaries of information relating to the number of police employees, their functions, and other pertinent information. For the first time we are beginning to assemble data on the basis of which some intelligent assessments may be made of American police efforts. Finally, whatever may be the ultimate effects of the automobile and radio communication on police administration, there is no doubt that these influences have had a revolutionary effect in many departments. Even in those departments not noted for their sagacious leadership, sheer necessity has compelled systematic police attention to matters of organization and personnel distribution, perhaps for the first time.

One of the chief handicaps to the development of effective administrative management is the traditional control exercised by independent civil service commissions. The author is unalterably opposed to these types of control and points out how the earlier state police forces, several municipal forces, and the Federal Bureau of Investigation have established enviable records of accomplishment without the assistance of formal merit systems. That these charges against the negative type of civil service control are valid admit of no dispute. At the same time it appears to the reviewer that the author has not given sufficient recognition to the efforts of the new school of personnel administration which is intent on serving rather than hindering the administrator. After all, those police units which have progressed outside of formal merit systems have adopted most of the techniques which are now being employed in modern personnel administration. The principal point is that the personnel system was under the control of the police administrator and not in the hands of some outside agency. By and large, however, the police are being placed under formal merit systems and they, along with the other municipal departments, must assist in the development of

merit systems which will emphasize positive rather than negative values in civil service administration.

One who is engaged in surveying a particular function of government often loses sight of the fact that other functions also crowd the scene and demand attention. What this means in terms of administrative accomplishment is that the police of a particular city are not likely to be much better than the other major departments. This may also be true of other levels of government although it must be admitted that the state police, at least in the older states, have set levels of accomplishment which have not been exceeded until recent years by other departments of the state administration. Admitting these exceptions, however, if there are police problems there are likely to be health problems, fire problems, or engineering problems; what is needed is effective administrative leadership at the top, whether it be a city, a state, or the federal government.

In many respects the police have much farther to go to achieve effective administration because of their unsavory past. They are suspect—more so than any other department of the municipal government. Precise measurements of public opinion as regards police effort are not available. It is nevertheless believed that the words "graft" and "third degree" would loom large as popular responses to inquiries concerning police action.

If there are signs of the emergence of a more capable police leadership than we have known in the past, evidence is not lacking of other trends which give some inkling of what the police pattern of the future may be. Recent authorizations for increased personnel for the Federal Bureau of Investigation to cope with matters relating to national defense buttress the conclusion that it will tend increasingly to become the general federal law enforcement agency. Every state now has either a highway patrol or a state police force. It seems clear that the prevailing tendency to transform such forces into general law enforcement agencies will continue, with their primary responsibility being that of rural police protection. Finally there will be the municipal police which in cities of appreciable size will continue as the largest and in many respects the most important of all police units. A national emergency would accelerate markedly these tendencies. With the added responsibilities which the police would have to assume, it would be necessary to ignore many political factors which are of such importance in normal times. Drastic and swift changes in our police structures may result from crisis needs.

Since many of the defects of our police systems which Fosdick found in 1920 were also discovered by Smith twenty years later, we are bound to admit that improved police administration is both difficult and expensive to obtain. That these defects are not inherent in our police systems is proved by the existence of municipal, state, and federal police forces which can stand comparison with similar forces anywhere. What is required is the development of competent leadership both from within and without police ranks which will make capable police administration the rule rather than the exception in American government.

WELDON COOPER

The Nazi View of Law and Administration

DAS AUSLÄNDISCHE VERWALTUNGSRECHT DER GEGENWART, edited by REINHARD HÖHN. R. v. Decker's Verlag, 1940. Pp. 330. Reichsmark 20.

THE DUAL STATE, by ERNST FRAENKEL. Oxford University Press, 1941. Pp. 248. $3.00.

THESE two books, for very dissimilar reasons, are good psychic discipline for citizens of countries which still permit them to drill on the parade grounds of intellectual freedom.

The Law of Administration in Foreign Countries Today (as the title of the collection edited by Herr Höhn may be translated) deserves consideration as an example of what has happened to German scholarship. On first reading it is plausibly competent, replete with the superficial aspects of scholarship. One is

disarmed by the soporific rhythm of each chapter's logical development. Voluminous documentation from the works of respectable authorities in the countries treated sustains the argument and the illusion of objectivity. Suddenly one is startled into the discovery that he has almost been trapped into taking seriously a travesty on German scholarship—quislinged, I suppose, by one's inner fifth column, the democratic predisposition to self-criticism. It is good to prepare against a probable avalanche of plausible works like this one in which mountains of camouflaged facts are mobilized to destroy the truth.

It is significant that the foreword is graciously, if not officially, provided by the Under Secretary of the Ministry of the Interior, Dr. Wilhelm Stuckart, who is also president of the German Section of the International Institute of Administrative Sciences. In it he explains that the papers which follow were written shortly before the outbreak of the war to provide the scientific preparation (*sic*) for an international congress of the Institute which had been scheduled for the fall of 1939 in Berlin. By an unfortunate oversight, his foreword fails to relate that the German Section of the Institute had proceeded unilaterally with all the arrangements, including the preparation of these essays, giving the wishes of the officers of the Institute from other countries scant attention.

The book had originally been designed, apparently, as a sort of political Baedeker for learned but gullible foreign intourists, but it was hurriedly changed into a guidebook for German administrative adventurers abroad. The foreword insists that in spite of the cancellation of the congress, these essays have not lost their significance; indeed, their timeliness is all the greater on that account; the knowledge of other peoples' administrations is essential to an informed judgment concerning their inner resources. The foreword, which is dated September, 1939, concludes with the following paragraph:

"In the Protectorates of Bohemia and Moravia, and more recently in Poland, German administration has undertaken to meet important new problems. They are problems which Germany will solve with an all-European sense of responsibility. It is therefore of great value to provide the administrator as well as the teacher of administration, in the pages which follow, with an insight into the laws of administration abroad. It behooves us to use these studies to acquaint ourselves with the underlying principles of administrative systems which *have prevailed heretofore* (the italics are mine; the authors are speaking of studies of the U. S. A., among other countries), and to erect and to establish a new administrative order designed not only to meet the needs of the mighty German Empire in Middle and Eastern Europe, but also to become a model for all of Europe."

Reinhard Höhn, the editor of the volume, is the author of the principal essay, "The Character, Problems, and Position of Administration in France, Great Britain, and the U. S. A." Dr. Höhn is professor at the University of Berlin and director of the Institute for Governmental Research there. I am reliably informed that his reputation has grown rather suddenly since 1936, when he came to be considered the successor to Professor Carl Schmitt as leader of the Nazi political scientists; that he likes to lecture in the black shirt (S.S.) uniform and that he is one of the "crown lawyers" of the secret state police.

Verwaltungsrecht, literally translated, is of course "administrative law." Most American libraries will excusably so enter it. This reviewer, who has been impressed by Madariaga's views on the untranslatability of words, believes that the idea conveyed by the German term is the direct opposite of the English one. In American usage the connotation of the words "administrative law" is the idea of a body of law which accents the rights of persons in relation to their governments and, usually, even more specifically, the regulatory phase of governments. The German term, on the other hand, connotes the idea of a body of law concerning the privileges, duties, and powers of officialdom, including its powers in relation to private persons. As a matter of fact, the existence of the latter notion of a separate body of official law is a continental concept, a product of the old despotic states, and one which is quite foreign to England and the United States. Accordingly, I have rejected the literal translation and have chosen to translate the title as "The Law of Administration in Foreign Countries Today." The subtitle and the nature of the contents support my choice.

All this discussion of the title is not just hairsplitting because it is the clue to the main fallacy of this book. Either by intention or by their genius for misunderstanding foreigners, or both, the Germans have missed the point about contemporary administration abroad. The septet of authors is writing about the law of officialdom and, finding it missing in the English-speaking world, can only conclude that administration there is in a sorry state. They are in the unfortunate position of writing a book about something that isn't.

Six principal leitmotivs or themes run with variations through the six acts of this administrative music drama. With each theme, based on totalitarian premises, runs the contrapuntal accompaniment of contrasting democratic fallacies. First is the major theme, played on the brasses and implicit throughout—the assumption that the only valid test of administration is its power to arouse and mobilize the full energies of a nation for military action. The second theme is sort of adoration of the "unity" (*Einheitlichkeit*) of administration, contrasted with the obstacles placed on central control by the existence of local autonomous units in France, England, and the United States. The strangely nasal oboes of Marx perform the third theme—that of economic determinism and the class struggle in which individual rights inevitably yield to those of the state. The counterpart in the democracies is in the conflicts of special interest groups, leading to state interventionism and negating the classical democratic dogmas of free enterprise, individual rights, the rule of law in England, and the *service publique* in France. Fourth is the stentorian insistence on executive supremacy, with mocking blasts at the inconsistencies of democracies which, particularly in times of national emergency, vest great temporary powers in their administrators. The fifth theme is the immaculate preservation of the separation of judicial and administrative powers, with serene disdain for British and American attempts to introduce quasi-judicial concepts in the sphere of economic regulation. The sixth and ultimate theme is played on the entire orchestra with shrieking piccolo cadenzas. It is the prophetic theme of the inevitability of totalitarianism, the goblin that will get you if you don't watch out—or if you do. The shrieks are devoted to the multiparty system with its parliaments and arguments, which is shown to be slowly causing democratic administration to sink into the twilight of the gods.

In the case of France, the book may not have been only a prophecy, but also a plan. We are told, for example (p. 187), that the administrative organization in France offers a foundation on which at any time an authoritarian superstructure may be erected, even if its outward characteristics are ever so democratic. The dismissal of parliament under Petain and, more recently, his abolition of elections in towns and cities of more than 2,000 inhabitants and his substitution of complete control by agents of the central government (*New York Times*, December 12, 1940) give reason to believe that the French edition of the volume may have arrived in Vichy.

Although in many respects the treatment of British administration seems to this reviewer the most competent in detail, it nevertheless illustrates the kind of logical tactics which are employed throughout to disparage democratic institutions. The argument is essentially that you are damned if you do and equally damned if you don't. If democracy evolves and changes to meet new conditions, it is untrue to the classical conception of the rule of law. If it remains static and unresponsive to new conditions, it is disqualified to meet the intricate problems of the modern world. This kind of reasoning goes on throughout the book. Crocodile tears furthermore adorn this section for the deplorable tendency of the British to assign quasi-judicial powers to central administrative authorities. This seems particularly regrettable to the Germans since the English, through their local government acts, had separated the judicial and administrative functions which formerly were combined in the justices of the peace.

The essay on Italy is the most sympathetic. One misses a treatment of the corporative councils. The emphasis is on the integration of administration on authoritarian lines not only at the national level, but at the level of the prefectorate in the province and that of the *podestà* in the localities. There is something unconvincing in the labored argument to establish a distinction between Fascist Italy, in which the state, and Nazi Germany, in which the nation (*Volk*) is supreme. The

hardest task of totalitarian dialectics, however, is to justify a law that is no law. For the Ethiopian in the wood pile, so to speak, in Fascist as well as Nazi law is that it is binding only on the petty official. No holds are barred for the big shots, particularly the head of the state. In his uncontrolled discretion every law may be changed and exceptions may be made in particular cases. And the existence of a personal machinery of terror (which is nowhere mentioned) negates even this superficial concept of legality. For some centuries even kings have been bound by their own rules, but this is not the case in these newer despotisms.

TO PREPARE us for future volumes in the social sciences from totalitarian states, this book, as I have said, has a particular value. It is copiously documented by footnotes, often in the original languages of authors in the countries described. The authors rely entirely on the written literature for their material. But all the citations on Fascist administration are naturally Italian ones written since the March on Rome. The quotations from post-Mussolini authors in Italy are all adulatory, whereas practically every one of the quotations from English, French, and American writers about their own institutions is extremely critical. We must be on our guard against equating these totally different types of evidence. We cannot give equal weight to the literature of obedience and the literature of freedom.

Over one-third of the book is devoted to administration in the United States and here the boys certainly go to town. With our own words they give a description of administrative anarchy and confusion in a democracy that must give rise to howls of laughter in the Nazi classrooms and libraries where this book undoubtedly circulates. The preponderance of self-criticism and debunking in our political science literature has given them all the material they need to create an administrative painting comparable only to a surrealist nightmare. I need not dwell on the details, but need only mention the subjects by name—subjects which trouble us and which simply baffle them: the division of powers and the separation of powers; checks and balances; the long ballot; the party system; pork, spoils, and patronage; the absence of a trained permanent bureaucracy; the cities' fight for home rule; states' rights; and finally, the multiplicity of independent governmental units and variety of governmental relationships.

Less familiar to us, but nevertheless profoundly disturbing to them, is our tendency to look at government as a sort of business service, to withhold from it a special sphere, a special personnel, and a special law. Our attempt to establish quasi-judicial agencies is regarded as another instance of our lack of administrative philosophy, for by so doing we are breaking down the doctrine of separation of powers. They are so overwhelmed by the lack of a clear pattern that they overlook the adaptability and resiliency of our institutions in actually getting a job done. They overlook, among other things, such important trends as the outstanding improvement in American municipal administration in the past quarter century, the simplification of state government, the increasing authority of the executive, the uses of the executive budget and other managerial aids, the widespread growth of formal and informal merit systems, and the collaboration of levels of government through grants-in-aid. They are unaware of the increasing use of experts and technicians, the rise of research as a tool of government, and the increasing tendency of government to tap our great intellectual resources.

Other outstanding examples of accomplishments might be cited from the field of American civil administration to refute this mirage of a complex of total anarchy and impotence which is conjured up from a concentration on pure theory. Our achievements in such fields as great public works (national highway network, the Panama Canal, Tennessee Valley dams), our great system of free schools and libraries, our far-flung public health accomplishments, our advanced programs of agricultural research and education are just a few examples of the successes of American administrative genius. In all decency they should have been mentioned to indicate that we are not governmental cretins.

This treatise deals with administration entirely in a vacuum and avoids, like a military secret, any reference to anything that is administered. This taboo on subject matter and preoccupation with pattern, hierarchy, and

jurisdiction result in a product which is essentially sterile.

All fairy tales should point a moral and this one is no exception. To a naïve bureaucrat like this reviewer it seems that American political scholarship has been over self-critical and over cynical about its own institutions. Our graduate students, the political science writers of tomorrow, are taught to believe that to be scholarly means to be a cynical debunker. Analysis and criticism are prized more highly than synthesis and creation. Cannot we afford to devote more attention to the positive accomplishments and values of administration, of free debate, and of freedom to initiate, to experiment, and to criticize? By all means let us keep open the channels and habits of criticism, but let us sneer at ourselves less and begin to balance the critical material with bold assertions about the accomplishments of a free society. If we do this, our administrative literature will again be in balance and the scholarship of freedom will have nothing to fear from the outpourings of the apologists of despotism.

Against Herr Höhn's point of view, Dr. Fraenkel's study is a positive antidote.

Dr. Fraenkel speaks out of his own experience in the active practice of the law in Germany between 1933 and 1938, and, as a result, documents by observation and by actual cases in the courts the steady encroachment of the "prerogative state" upon the sphere of the "normative state." He demonstrates conclusively that the "prerogative state"—"that governmental system which exercises unlimited arbitrariness and violence unchecked by any legal guarantees"—can be described only in terms of its practical operation, and not by citations from the books of its apologists. He thus effectively points out the essential weakness of the Höhn volume, particularly its sections on administration in Fascist Italy.

As far as this reviewer knows, this is the first study published in English which documents the gradual but inevitable invasion of every field of law by the "prerogative state" in Nazi Germany, and at the same time, points out the gradual capitulation of the "normative state," particularly as represented by decisions of the courts of law, under this assault. It is astonishing that the machinery of law of the "normative state" continues to persist as the ever growing encroachments of the "prerogative state" increasingly destroy all certainty, all law worthy of the name, and all protection of rights, private and public.

And finally Dr. Fraenkel's study effectively blasts the myth that totalitarian states have preserved continuity of administration, and that they preserve for citizens and groups of citizens greater protection in a new manner than the rule of law in democratic states. By its sound scholarship and the first-hand acquaintance of the author with his subject, *The Dual State* gives us another devastating document, this time from the point of view of the lawyer, on the status of the citizen under totalitarian rule, and conclusively sets forth how great is the gap between the actions and the pretensions of the totalitarian state.

HERBERT EMMERICH

Advice for Managers

MIDDLE MANAGEMENT, by MARY CUSHING HOWARD NILES. Harper and Brothers, 1941. Pp. xiii, 270. $3.00.

For young executives who have been told about management theory but who still wonder how to apply it on the job, this will prove a welcome guide. It is full of practical advice, directed especially to the subadministrator. Its analysis of that important layer of the administrative hierarchy which functions between top management and direct supervisors may come to be regarded as a unique contribution to management literature.

Mrs. Niles reflects a wealth of first-hand experience as a consultant on organization and procedures. Although her book deals with the administration of private enterprise—indeed partly because of this—the public official will find it useful. Although its setting is a large organization, it discusses principles and techniques which are applicable to small organizations as well. It is most pertinent, however, to a centralized organization with a high pro-

portion of clerical employees processing large volumes of desk work; for this reason, it should be especially beneficial to junior executives in the headquarters office of such an agency as the Bureau of Old-Age and Survivors Insurance of the Social Security Board.

The job of the intermediate executive is analyzed in this book from many angles. Following a practical summary of organization principles to show how the junior administrator fits into the total scheme, suggestions are made as to what he should emphasize and what he should avoid in assisting his superiors, developing supervisors, dealing with the rank and file, reorganizing his department, organizing his own job, securing coordination, and exercising constructive leadership. The arrangement of the material is not traditional, nor even strictly logical, but suggests the approach of a seasoned counselor inducting a protégé in whom she is deeply interested and to whom she hopes to impart some wisdom from the past.

The point of view which permeates Mrs. Niles' work is aptly represented in her statement, "The handling of personnel in a reorganization is even more important than is an improvement of methods. The author has found better results from poor systems with high morale than with the best of systems operated with low morale or lack of understanding." Regard for psychological and emotional factors is carried to such an extent that a Dale Carnegie flavor is almost too prominent at points. On the whole, however, the plea for seeking a balance between system and the human element is restrained and well directed.

Outstanding among the many good points of this book is the refreshing treatment of informal authority and relations operating across formal lines. Frequent interdivisional and interdepartmental contacts down the line, observation and the exchange of ideas to promote understanding, avoidance of compartmentalization through securing coordination beneath the top levels—these are the approaches to improved administration which the author considers most significant. It may be that she underestimates the importance, from the standpoint of government management at least, of tolerating formalities in order to preserve clear channels of responsibility. Other notable characteristics are the recurrent emphasis upon providing opportunity for growth within the service, developing an understudy for every administrative position, and using staff aids to facilitate day-to-day execution.

By the same token that government officials can profit from books like this, consultants on business management could profit by a better understanding of advances in public administration. This belief is borne out by Mrs. Niles' chapter on personnel management. For example, in discussing recruitment, she does not so much as mention the use of outside employment agencies, public or private. In dealing with promotions, she does not suggest the possibility of competitive promotional examinations. While deploring the frequency with which employees are kept in the dark as to how they stand with management, she has apparently overlooked the practice of giving formal notice of efficiency ratings, so commonly found under public merit systems. Her discussion of "training" is surprisingly restricted in both conception and scope, despite her grasp of staff development as an integral function of management. Although the book gives strong encouragement to fostering individual initiative and providing individual outlets, it avoids the question of organized employee participation; even implying, by a word here and there, that the author may have a definite anti-union bias.

Mrs. Niles certainly is not abashed at expressing her own opinion. She did not set out to give a balanced presentation of all sides of questions, however controversial. She just presents her observations and conclusions, frankly expecting the reader to take them for whatever they are worth to him. She does not mince words; rather than saying, "It is believed by competent authorities," she cryptically says "should." This straightforward approach inevitably gives a certain impression of dogmatism. For the most part, the reader does not resent this. The author's whole attitude is one of flexibility and open-mindedness, and one appreciates that she is merely trying to come to the point briefly. Nevertheless, it does seem that this habit is sometimes carried to unnecessary extremes. For instance, in breezing over the problem of efficiency ratings, the author devotes the first paragraph to telling specifically what rating categories should be

used and what numerical factors should be assigned to each. In the second short paragraph, she states what proportion of employees —presumably employees in any type or size of organization—should fall within each category (p. 126). Moreover, she appears to assume, perhaps realistically, that there is little use in talking about minimizing subjectivity in rating individuals.

The trained or experienced administrator will find *Middle Management* somewhat elementary, although even he will discover helpful reminders and refreshing points of view. The neophyte, particularly, will appreciate the clarity and simplicity of Mrs. Niles' style. Students, practitioners, and teachers alike will find the vivid and well-chosen illustrations worth more than volumes of theoretical explanation; and they can hardly fail to be impressed by this effort to suggest not merely what administrative methods are important, but also how to apply them to one's own job.

IVAN ASAY

Contemporary Topics

Administrative Developments in National Defense Agencies

SEVERAL changes have been made in the national defense organization during the past few months which affect the interrelationships of the federal defense units and their relations with state and local agencies.

The Office for Emergency Management now includes or is charged with the coordination of the following offices and divisions: the Office of Production Management (whose units do the work formerly performed by the coordinator of national defense purchases and the industrial materials, industrial production, and labor divisions of the National Defense Advisory Commission); the Office of Price Administration and Civilian Supply (created April 11 to perform among other duties those of the price stabilization and consumer protection units of the N.D.A.C.), the N.D.A.C. itself, only two of whose units—agriculture and transportation—were left with functions by mid-April; the Division of Defense Housing Coordination; the Coordinator of Health and Welfare and Related Defense Activities; the Division of State and Local Cooperation; the Office for Coordination of Commercial and Cultural Relations Between the American Republics; the National Defense Mediation Board; the National Defense Research Committee; and the Defense Communications Board.

A Division of Central Administrative Services was set up during March in the Office for Emergency Management by William H. McReynolds, Liaison Officer for Emergency Management.[1] Its function is to maintain a central budgeting, accounting, and fiscal control system, and to make provision for personnel and general office services for the O.E.M. and its constituent agencies. At the same time, the Division of Information was made a division of the O.E.M.

[1] Since this was written, Wayne Coy has been appointed Liaison Officer for Emergency Management. Mr. McReynolds remains Liaison Officer for Personnel Management.

Production Management. The Office of Production Management now has five divisions—those of production, priorities, purchases, and labor, and the bureau of research and statistics.

Housing. The Division of Defense Housing was created early in January under Charles F. Palmer, formerly Defense Housing Coordinator under the N.D.A.C. Its functions are to maintain liaison between the several departments of the government and private agencies with regard to the provision of housing facilities essential to national defense, and to coordinate studies and surveys to facilitate the full use of existing housing accommodations. Its head, the Defense Housing Coordinator, recommends coordinated defense housing programs to the President and advises each federal housing agency of its part in the program.

Defense housing is being built or managed by governmental agencies through several channels. The Navy is building housing. The Army is having housing constructed by the Public Buildings Administration. The Federal Works Agency, to which funds were appropriated last year by the Lanham Act, is having housing built and managed in three ways: (1) it will itself manage housing that the Public Buildings Administration is constructing for it; (2) it is having local housing authorities build and manage housing under its own supervision; and (3) it is making arrangements for the United States Housing Authority to supervise local authorities in the construction of housing financed by F.W.A. funds. The United States Housing Authority, which has had no appropriation for the specific purpose of defense housing, although it has been authorized by Congress to undertake such housing, spent unallocated funds last summer on defense housing contracts with local authorities. The Defense Housing Corporation, a subsidiary of the Reconstruction Finance Corporation, is investing in homes for which an economic demand exists, borrowing money from the R.F.C. Mortgage Company on mortgages insured by the Federal Housing Administration. Finally, the Farm Security Administration is providing temporary housing in

trailers or dormitories, in addition to other minor projects.

Education of Workers. The Labor Division of the O.P.M. is coordinating federal agencies interested in education of workers for defense labor. The United States Office of Education and the Work Projects Administration are playing leading parts in this program. There is close cooperation between the public employment services, which keep a constant check on the national supply of labor, and the vocational educational program, which, according to official estimates, will have trained a million persons for defense occupations by the end of June. More than eight hundred cities are making vocational, trade, and industrial schools available for defense training.

Health and Welfare. Mr. Paul V. McNutt, Federal Security Administrator, was designated Coordinator of Health, Welfare, and Related Defense Activities when that office was set up by action of the Council of National Defense, the parent organization of the N.D.A.C. He appointed Mr. Charles P. Taft as Assistant Coordinator and named the twelve regional directors of the Social Security Board as regional defense coordinators for the activities in question. An advisory council in each region is made up of the field representatives of all federal agencies participating in these activities.

Mr. Taft has proposed that community organizations be set up to deal with problems of health, family welfare, and recreation in connection with the defense program. He recommended that each organization should operate under public sponsorship, should represent both public agencies and private organizations which might contribute to the program, and should operate through a small executive committee with a full-time executive, and with a liaison officer from any nearby army or navy post.

State and Local Cooperation. The Division of State and Local Cooperation is still technically a unit of the N.D.A.C., but it is now serving the Office of Production Management and the other agencies coordinated through the O.E.M. It helps federal agencies which deal with morale and civil defense to obtain the cooperation of localities, and it has worked with the War and Navy departments to develop extensive plans for civil defense.

The Division has published a pamphlet prepared by an advisory committee entitled *Suggestions for State and Local Fire Defense* as the first of its civilian defense bulletins. Besides dealing with the technical problem involved, this bulletin summarizes the activities and responsibilities of related federal, state, and local agencies with respect to the fire defense problem. The step recommended for immediate consideration is the appointment of a state fire coordinator in each state and a defense fire chief in each locality. The report recommended mutual aid by different governmental units, by public and private agencies, and by civil and military authorities; general fire prevention and protection activities; and the organization and training of auxiliary fire-fighting forces.

State legislation related to state and national defense has been receiving consideration in most of the forty-three state legislatures which met in regular session this year. The legislation includes the legislative program for defense drafted by state officials on the recommendations of the Federal-State Conference on Law Enforcement Problems of National Defense, acts setting up state councils of defense, and various other types of defense legislation in such fields as housing, zoning, and civil liberties.

To prepare for the proposed expenditure of federal funds to provide additional community facilities where present shortages are impeding the defense program, the Division of State and Local Cooperation has conducted an intensive survey of defense areas with the aid of a group of engineering consultants, most of whom were city managers on loan from their municipalities.

The Division of State and Local Cooperation established last fall a committee on the training of public employees in state and local governments for defense emergencies. At the suggestion of this committee, which includes representatives of various organizations of public officials and public agencies, a report, *Defense Training for Public Employees,* was prepared by the American Municipal Association and distributed to state defense councils and other interested groups. In March the committee issued a progress report (mimeographed) urging immediate consideration of the need for further programs of in-service

training for municipal officials engaged in activities relating to defense and indicating eight ways in which needs for training had become apparent to the committee.

State Defense Councils. In forty-three states, the District of Columbia, and the Philippines, defense councils or coordinators have been established to advise the governors and to assist in the coordination of state and local defense activities. The memorandum of August 2, 1940, in which the Division of State and Local Cooperation suggested the type of functional organization to be followed by the state defense councils, has served as the basis on which most of them have been set up.

Most of the state councils were created by gubernatorial action, but fifteen of them have now been established by legislative enactment. Their memberships range in number from one to 162, with more than half having five to twenty members.

With very few exceptions, the membership of the state defense councils includes one or more heads of state departments. A few councils, such as those in Alabama, Kansas, and Texas, are composed exclusively of state administrative officers, while the entire membership of a few others is drawn from professional, civic, and other unofficial groups. Most commonly, representatives of both categories are serving on the state defense councils, and in over one-half of the states the number of lay members exceeds the number of public officials.

In a few states, members of the state legislature or of the judiciary are serving on state defense councils. In Pennsylvania, for example, the act establishing the state defense council specifies that the speaker of the state House of Representatives and the president pro tempore of the Senate, and their successors, shall be members. In New York, similar legislative officials plus the minority leader of each house serve on the council.

In at least ten states, the council membership includes representation of cities. The chairman of the Mississippi council is a mayor and mayors are members of several other councils. The California, Virginia, and Wisconsin councils are among those on which the state leagues of municipalities are formally represented.

State auxiliary or staff agencies are represented on about the same, or a slightly larger number of councils. In this category come most commonly the state planning boards. State officials concerned with fiscal and personnel matters are members in several cases. Such state agencies play a larger role in the work of the councils than these figures indicate, however, for such staff assistance as was available to the councils, particularly in the early months of organization, was loaned by the planning boards or other state agencies. While the chairman is still the executive officer of several of the councils, the number of full-time, salaried executive secretaries has increased. Some have been loaned or detailed from other positions in the state service; others are on the pay roll of the council.

Until the 1941 legislatures had acted, practically all the councils operated on funds allocated from the governors' contingent or emergency funds. By early April, 1941, appropriations ranging from $1,500 to $200,000 had been made. The smaller amounts were annual appropriations; the larger ones, for longer or indefinite periods.

No state reports to the Division of State and Local Cooperation have indicated the payment of salaries for the services of council members. In fact, council members have met their own traveling expenses in a number of cases, although recent defense council legislation commonly provides for necessary traveling expenses.

Up to the present time, state defense councils have met at the call of the chairman rather than at designated intervals. Reports to the Division of State and Local Cooperation indicate that several meetings had been held in each of some twenty states by the end of 1940 and that the councils have been increasingly active in 1941. Because some of the councils are large bodies, a more realistic view must take into account the greater activity of executive committees in such states as California, Massachusetts, Connecticut, Michigan, and of committees set up in the various fields of council activity.

In a few states, the legislation establishing state defense agencies has directed them to assist in industrial development, as in Iowa and Nebraska, and in a few others—Georgia and Texas, for example—councils established by administrative action have devoted particu-

lar attention to such activities. Distinction is made, however, between the promotion of general industrial development, regarded as a proper function, and activities in behalf of individual manufacturers.

Civil Service Extended By Executive Order

AN EXECUTIVE order under authority granted by the Ramspeck Act applied the merit system on April 23 to about 125,000 additional federal positions, including the higher administrative, professional, and technical positions, as well as those of lower rank.

The order implemented the recommendations of the President's Committee on Civil Service Improvement, accepting the principal features of a plan recommended by a majority of the Committee by which lawyers will be brought into the merit system by being placed on an unranked register after passing their examinations. Aside from the higher policy-forming positions and the assistant United States attorneys, virtually all federal employees except those of the Work Projects Administration and the Tennessee Valley Authority are now within the civil service system.

Reorganization Measures Enacted in Three States

AT least three states have enacted reorganization bills of various degrees of importance, according to incomplete reports from the forty-three state legislatures in regular session this year.

The reorganization measures in Utah followed fairly closely the proposals of Governor Herbert B. Maw. The statutes, of course, do not affect the five constitutional elective officers. They place some fifty agencies in thirteen major departments. One of these, the militia (including the highway patrol), is to be directly under the governor. With four exceptions, each department will be headed by a bipartisan commission of three members, appointed by the governor for six-year overlapping terms and removable by him only "for cause."

The new department of finance will serve as an auxiliary agency, with the functions of establishing salary schedules, exercising budgetary control, and supervising purchases for other departments. The governor will have power to appoint not only the commission members, but in some agencies the department heads under them, and he may approve or disapprove subordinate appointments. Many acts can be performed by various departments only upon "approval by the governor."

The Colorado reorganization act reassigned bureaus, boards, and commissions to various major departments with the proviso that they shall continue as now organized and existing. It abolished the executive council, formerly composed of the five elective state officers, giving the governor a greater degree of control over all new appointments, and it created a central revenue collection department. A division of accounts and control is under the elected state treasurer; the elected state auditor is given authority to prescribe what accounts are to be kept; and the budget director, appointed by the governor, has certain functions of financial control.

The reorganization act in Indiana was the result of the election of a governor by the Democratic party and a lieutenant governor and legislative majorities by the Republican.

The reorganization act of 1933, which gave the governor the power to appoint and remove state employees, was repealed. Most state agencies (except the welfare and personnel units and the state institutions) were grouped in four departments, each of which is headed by an administrative board of three members named in the reorganization statute. Each board is made up of the governor and two Republican members.

The division of personnel, the department of welfare, and each of the state institutions are to be headed by a board of four members. The statutes provide that if the governor and lieutenant governor are of the same political party, the governor is to appoint all members of each board; otherwise, each of them appoints two members. In case of a tie vote on the welfare board, the lieutenant governor may cast the deciding vote if two members so request.

According to newspaper reports, the constitutionality of the Indiana program will be questioned.

Three States Enact Merit Laws

DURING the 1941 regular legislative sessions, the Indiana and Kansas state legislatures have enacted merit systems and the Vermont legislature has authorized the governor to establish a merit system.

Kansas had a civil service law on the statute books, but it has been inoperative for many years. The new law, which becomes effective June 1, covers all state agencies except the department of social welfare, the board of health, and two other agencies which already had established merit systems under the rules of the federal Social Security Act.

The Kansas act sets up a three-member board, appointed by the governor, which in turn appoints a special examination committee to select candidates for the position of director of the merit system agency. The appointment is finally made from one of the top three candidates, who do not have to be residents of Kansas.

In Indiana the new civil service law establishes a state personnel agency to supersede the bureau which for the last five years has administered a merit system for state agencies receiving federal social security aid. The new system includes state institutions.

The Vermont statute directs the governor to install a classification and pay plan in the state service, and authorizes him at his discretion to establish other aspects of a merit system.

Civil service bills were defeated in North Dakota and Washington.

Procedures for Works Planning

A NEW system of procedures and intergovernmental relationships in the field of public works and employment stabilization was recommended in a report by the National Resources Planning Board on "Development of Resources and Stabilization of Employment in the United States," transmitted to Congress by President Roosevelt in March.

In connection with its recommendation of a six-year program of public works, the report contained proposals affecting the President's relations with Congress, federal construction agencies, and local governments.

The N.R.P.B. proposed that the President be granted a revolving fund with which to pay either federal or nonfederal agencies for studies of proposed construction projects, the revolving fund to be reimbursed as a part of the cost of construction of each project.

It recommended that Congress authorize in advance procedures for extending grants, loans, or guarantees of loans to state and local governments, or making leasing arrangements with them, and that it authorize construction of those federal projects to which the six-year program gives priority. The authorizations would not be effective until funds were appropriated, but they would give approval to a long-range policy that would be constantly subject to revision.

The N.R.P.B. also recommended vigorous encouragement of the adoption of six-year capital budgets by federal agencies, state governments, local governments, and other public or private agencies participating in a large volume of construction activities. The recommended programs would include alternative lists of projects, classified so as to make possible a flexible national program of construction to encourage employment stabilization.

Tax Policies for Defense

BY granting defense contractors special concessions with respect to income or sales taxes, many states are furthering participation in the national defense production program.

Nineteen states have already indicated that they will follow the federal example in granting special income tax concessions to defense contractors by allowing accelerated depreciation rates on special defense facilities built or acquired. The depreciation allowance is included among the deductions from total income in determining the amount of taxable net income. The purpose of the allowance is to speed defense production by offsetting the risk involved in constructing facilities which might be useless for peacetime production. For example, the cost of a factory may be written off in five years instead of about forty years if it is designed for defense production.

In three states, authorities have ruled that the sales tax on materials or taxable services will not be levied against "cost-plus" contractors engaged in national defense work for the federal government. The states are Missouri, South Dakota, and Washington. Other states have taken the view that the contractors, the

cost-plus feature notwithstanding, are not instrumentalities or agents of the federal government and cannot be exempted. The issue has arisen in many more states with respect to the gasoline tax; nine states exempt "cost-plus" contractors from this tax; twenty-eight do not.

New York Civil Service Proposal

EVERY local government in New York State will be required either to administer its own merit system or to have it administered by the State Civil Service Commission if the recent proposal of the New York State Commission on Extension of the Civil Service is adopted. Adoption of the proposal would make New York the first state to apply a civil service system to every governmental unit.

The Commission on Extension of the Civil Service was set up by statute in 1939 to propose a method to put into effect the requirement of the state constitution for the installation of merit systems in forty-four counties, about nine hundred towns, about five hundred villages, about eight thousand school districts, and several thousand special districts to which civil service rules have never been extended.

Any county which is not wholly within a city may choose one of three types of merit systems outlined in the report. It may have an administrative commission of three members serving for six-year overlapping terms; it may appoint a county personnel officer to administer all aspects of personnel except examinations, which would be administered by the state commission; or it may turn over all personnel administration to the state commission.

The proposed bill also provides that municipalities which do not wish to administer their own systems may have their civil service systems administered for them either by a personnel agency of the county or by the State Civil Service Commission, and it requires the state commission to render certain services on request to any municipal commission without charge.

Optional County Government Plans

THREE optional forms of county government were enacted by the North Dakota state legislature in its recent session. One was the county manager plan, based on the model charter of the National Municipal League, and the other two were similar forms which eliminate most elective officers. The measure was made possible by a constitutional amendment adopted by the electorate last year.

Census Field Agents

FULL-TIME field agents for the compilation of statistics on the financing operations of state and local governments are being employed by the Division of State and Local Government of the Bureau of the Census to replace most of the part-time agents, most of whom were local government officials, on whom the division has heavily relied.

Under the new plan, about thirty bureau field agents will ultimately be available, and there will be a systematic interchange between the field and the central office so that employees will understand both aspects of the work.

Manual of County Accounting

THE Kentucky Department of Revenue has issued a manual of county accounting, prescribing a modern system of records for counties, and on request is helping counties install the system. The department plans to initiate the new system only as rapidly as it can help local governments install it properly. It proposes to send consultants periodically to each jurisdiction that adopts the system of records, so that procedural errors may be avoided.

The department published early this year its report for 1940, giving in nontechnical descriptive language the principal factors in the Kentucky revenue situation. It is working with the Kentucky Municipal League to plan a complete survey of municipal financial statistics.

Montana Funds Consolidated

THE recent passage of a bill consolidating a number of special funds into a single general fund will make a marked change in the financial structure of the state government of Montana, beginning July 1.

At present, certain percentages of most of the sources of state revenue do not go into the general fund but are allocated for various specific purposes, in spite of the constitutional requirement that all revenues shall go into the

general fund and be expended only on legislative appropriation.

The legislative State Reorganization Committee reported that in addition to the general fund of the state, there are some thirty-five subsidiary revolving funds, about seventy-eight special funds, fifteen permanent funds, twenty-one investment funds, twelve funds of various self-supporting activities, twenty-one bond-redemption and sinking funds, and numerous contingent cash advance accounts for state institutions and departments. Fees, collections, and earnings of many offices and agencies are retained under this system as revolving funds by the agencies making the collections.

Under the new system, all revenue from taxes, licenses, profits, and collections will go into the state general fund with a few minor exceptions, the most important of which is the constitutional allocation of 25 per cent of income tax and corporation license tax money to the public schools.

Coordination of Fire Companies

MARYLAND'S fire-fighting forces are being coordinated in accordance with a statewide plan to cope with incendiarism on a large scale in event of war.

The errors and successes of the British fire service were studied in formulation of the plan, which is sponsored by the State Firemen's Association and the details of which are being worked out with the assistance of the governor, the state fire marshal, and fire service leaders, through the Maryland Council of Defense and Resources.

The plan calls for joint action by 180 fire companies of the state, and by fire departments in a district extending fifteen miles into bordering states.

A coordinator will administer the plan, assisted by a technical adviser and a secretary. Six regional inspectors will act as liason between the coordinator and local companies. Regional deputies of the state marshal will supplement this staff in fire investigation, and instructors of the fire extension service of the University of Maryland will handle the training work.

Each fire company will receive a chart showing the equipment and manpower of all fire-fighting bodies. The charts will be so marked that, in event of emergency, the company will know quickly what equipment is available close by. Information is also being compiled about fire department personnel, so that special knowledge and talents will be available in case of need. An alarm response plan is being developed for the seaboard areas for emergency use.

The regional inspectors and local fire department officers will inspect each factory in the state to determine manufacturing hazards and to advise the management on proper fire protection and prevention.

Special Utility Rates for Housing

THE Arkansas Department of Public Utilities recently issued an order approving a special rate schedule to local housing authorities. The order was not unique, as similar departments in other states—including Arizona, Illinois, Montana, North Carolina, Pennsylvania, and Washington—have held that the granting of special utility rates for public housing projects does not constitute preferential treatment.

Two factors were recognized in requiring that utilities be furnished at low cost to housing projects: the small credit risk in dealing with a public agency, and the possibility of securing customers who might not otherwise be able to afford the cost of public utilities.

Joint Purchasing by Local Units

COORDINATED, large quantity buying is expected to save more than $100,000 during 1941 for seventeen cities and villages and eight school districts in Milwaukee County, Wisconsin.

These governmental units have established a coordinated purchasing board to secure wholesale prices, standardize commodities, and set up a system of inspection. At board meetings, which are held twice a month, delegates present copies of their contract specifications and samples of the particular supplies scheduled for consideration. The group has agreed tentatively to obtain bids on the requirements of all the represented bodies, with the provision that each governmental unit may issue its own contract or purchase order.

News of the Society

EARL H. DELONG, associate professor of political science, Northwestern University, has been appointed chairman of the program committee for the 1941 annual conference of the American Society for Public Administration. He takes the place of Herbert Emmerich, who resigned after being appointed secretary of the Office of Production Management.

Membership

During the first quarter of 1941 the Society maintained the rate of growth established during 1940. In the last number of *Public Administration Review* it was reported that on December 20, 1940, the Society had 1,209 members and subscribers. The enrollment of 304 new members and subscribers with the resignation of only 6 resulted in a total membership of 1,507 on March 31.

Chapter News

The Los Angeles Chapter held its second meeting on February 26. Arthur C. Hohmann, chief of police of Los Angeles, spoke on police phases of community organization for preparedness.

The Sacramento Chapter held a special meeting on April 8 to hear Professor John M. Pfiffner of the University of Southern California speak on the subject of supervision.

The San Francisco Bay Area Chapter was organized at a meeting held on February 7. The following officers were elected: Edwin A. Cottrell, Stanford University, president; Ray C. Wakefield, vice president (Mr. Wakefield subsequently resigned when he was appointed chairman of the Federal Communications Commission); and as directors Charles Aikin, University of California; Chester Fisk, city manager of Berkeley; John B. Kaiser, Oakland Public Library; and Warren H. Pillsbury, deputy commissioner of the U. S. Employees Compensation Commission. A member of the staff of the Bureau of Public Administration, University of California, is to be appointed chapter secretary.

The Connecticut Chapter of the Society was organized at a meeting held on May 5 in Hartford. Dr. William E. Mosher was the principal speaker.

During the past quarter, the Washington, D. C. Chapter has held a dozen or more meetings. The round table on administrative organization and management under the chairmanship of Bernard Gladieux, of the Division of Administrative Management of the Bureau of the Budget, held five highly successful panel discussions. At these meetings such subjects as the following were discussed: purposes and objectives of coordination and procedures units, planning and conducting an administrative survey, interchange of information on administrative management, and the development of standard practices. The round table on problems in the administration of federal grants, under the chairmanship of Frank Bane, has held two meetings. The panel or round table on the relationship of administrative officials to Congress, under the joint chairmanship of William A. Jump, director of finance, Department of Agriculture, and Elbert D. Thomas, U. S. Senator from Utah, held an interesting session. The junior members of the Washington Chapter have held separate luncheon sessions twice a month during the year.

The Chicago Area Chapter met on February 14 to hear a discussion of population trends and planning problems. Robert Kingery, director of the Chicago Regional Planning Association, was the speaker.

The New York Metropolitan Chapter held its fourth regular meeting of the current season on March 18, with Hugh Pomeroy, director of the Virginia State Planning Board, as the speaker. The fifth meeting of the New York Chapter was held April 15, with G. Lyle Belsley, assistant to the Liaison Officer for Personnel Management, speaking on the personnel agency as a tool of management.

In January, at a conference on civil service problems organized by the Pennsylvania Political Science and Public Administration Association, steps were taken looking toward the formation of a Philadelphia Society for Public Administration.